



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Office

FROM: Elizabeth H. Tyler, AICP, City Planner/Director

DATE: January 19, 2006

SUBJECT: Lakeside Terrace Redevelopment Update

Description

Over the past several years, the City of Urbana has worked cooperatively with the Housing Authority of Champaign County (HACC) and their designated developer (Brinshore Development, L.L.C.) in coordination with neighborhood residents regarding the redevelopment of the Lakeside Terrace public housing project at Lakeside Terrace and Broadway Avenue in Urbana. As expressed through its plans and policies, the City is interested in promoting a high quality development at the site that serves a range of family income types, is environmentally friendly, and is beneficial to the character of the area as well as providing for a replacement of very low income housing opportunities that could be lost with redevelopment of the site.

Background

Lakeside Terrace was constructed in 1952 and originally contained 99 two-level apartments in a total of 22 buildings. A portion of the site also contained a club house that was previously used by the Don Moyer's Boys and Girls Club. Assessment of the property by the HACC and by HUD determined that it was not feasible to renovate the property to meet modern standards for public housing. In addition, over the past few Presidential Administrations, federal policies which direct funding for public housing authorities have promoted the replacement of older public housing projects (because they tended to result in a concentration of poverty) with a mixture of scattered site public housing achieved through housing vouchers programs and redevelopment of sites with mixed income "communities of choice" developed by the private sector with subsidies to guarantee affordability.

Joint efforts to redevelop Lakeside Terrace have included applications to the U.S. Department of Housing and Urban Development (HUD) for "HOPE VI" program redevelopment funds. While the project was not successful in receiving these redevelopment funds, the HACC did receive a substantial HOPE VI grant from HUD for demolition of the buildings. The project was vacated last Spring and is currently undergoing asbestos removal. The demolition work will be rebid this Spring and is expected to be completed by August 31, 2006.

Brinshore Development, L.L.C., of Northbrook, Illinois is an experienced affordable housing developer. They were selected by the HACC in 2002 to serve as developers for both the Burch Village and Lakeside Terrace projects. The Burch Village project in Champaign is currently

completing construction. Brinshore proposes to construct the Lakeside Terrace project using a variety of funding sources, including private loans, City support (through CDBG and HOME funds), low income tax credits issued by the Illinois Housing Development Authority (IHDA), bond cap conversion funds, and a variety of other funds offered by IHDA. As an essential early step in the process, Brinshore is proposing to apply to the IHDA for Low Income Tax Credits by an April 2006 deadline.

Relevant Plans and Policies

The City of Urbana Comprehensive Plan (2005) provides broad guidance related to affordable housing, including the following specific relevant goals and objectives:

Goal 39.0 Seek to improve the quality of life for all residents through community development programs that emphasize social services, affordable housing and economic opportunity.

Objective 39.5 Work to improve public housing in Urbana through cooperative efforts with the Housing Authority of Champaign County.

Goal 40.0 Make affordable housing available for low-income and moderate-income households.

Objective 40.1 Promote strategies identified in the Consolidated Plan to provide additional affordable housing opportunities in Urbana-Champaign.

Objective 40.2 Work to promote the development and capacity of Community Housing Development Organizations (CHDO's) to develop affordable housing opportunities.

Objective 40.3 Work to distribute affordable housing opportunities throughout the community to avoid the effects of concentrated poverty.

The City of Urbana's Consolidated Plan has long recognized the potential for redevelopment of Lakeside Terrace and incorporates specific guidelines with respect to replacement of housing for very low income residents that could be lost with the redevelopment. This commitment is reflected in the FY2005-2009 Consolidated Plan which includes the following Public Housing Strategy (page 65):

Strategy: Promote substantial upgrading of the living environment for residents of Urbana public housing, particularly family units.

Activity: The City of Urbana will assist in developing a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units with a combination of new on-site units, scattered-site units and Section 8 rent subsidies. At least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low-income families with children, irrespective of their income.

This goal to replace housing for Lakeside Terrace is also reflected in the current Council goals, adopted in September, 2005:

8.) Increase Affordable Housing

- a. *Develop nationally recognized, model neighborhood that is affordable and uses 10% of standard energy consumption.*
- b. *Develop replacement rental housing for Lakeside Terrace – 80 units or more – that are affordable to the poorest of the poor as per prior council agreement.*
- c. *Continue support for accessible, energy-efficient, affordable housing including an effective mix of rent subsidized housing with home ownership programs.*

Lakeside Terrace Redevelopment Plan

In 2004, the HACC's attainment of a demolition grant from the Federal government prompted a concern on the part of the Urbana Council that a detailed redevelopment plan of Lakeside Terrace consistent with the Consolidated Plan policies be adopted prior to HACC use of the funds. Working in conjunction with the HACC, and local CHDO's (Urban League and Homestead), a Draft Redevelopment Plan for successful funding of replacement housing was prepared in April 2004. This was reviewed at public hearings and by the Urbana Community Development Commission and Plan Commission prior to adoption by the City Council on June 3, 2004 (copy attached).

The Redevelopment Plan consists of the following elements:

1. Demolition of the existing Lakeside Terrace Apartments and relocation of all then existing tenants.
2. On-Site Redevelopment with 100 tax credit units, 24 of which shall be designated as replacement units through the use of project-based Section 8 vouchers. (Note that this replacement is limited to no more than 25% of the project units).
3. Application for Replacement Units funds from HUD by the HACC for a total of approximately 14 new public housing units to be developed at any location throughout Champaign County.
4. Provision of off-site scattered replacement housing by local CHDO's, including Homestead Corporation with 33 single-family residences and the Urban League with 9 redeveloped apartment units. Affordability for these units will be provided through anticipated designation of project-based Section 8 vouchers by the HACC.

Each of these elements is described in greater detail in the Redevelopment Plan. The Summary Table included in the Redevelopment Plan (Table One) shows that a total of 80 replacement units and 101 other affordable units would be created at a total cost of \$21.3 million, with \$915,778 of these funds coming from the City of Urbana. Financing would be provided through a variety of means, including private financing, IHDA tax credits, HOME funds, Federal Home Loan Bank Affordable Housing Program grants, CDBG funds, conversion of bond cap, and HUD replacement funds.

As detailed in the attached Redevelopment Plan, the City's portion of the redevelopment plan would consist of a total of \$915,778 programmed over four years, including \$150,000 in bond cap conversion, \$150,000 in CDBG funds, \$513,737 in Urbana's allocation of HOME funds, and \$102,041 in HOME CHDO set-aside funds. It should be noted that recent cuts by the Federal Government of Urbana's CDBG allocation may seriously impact our ability to meet these funding goals.

Update

Since adoption of the Redevelopment Plan in 2004, the City of Urbana has made substantial progress in assisting in the Lakeside project and in funding replacement housing. Specific actions include:

- Programmed acquisition of property in support of Lakeside Terrace Redevelopment – Kerr Street properties (04-05 AAP, \$182,865 funded from CDBG, \$52,903 funded from HOME).
- Urban League Rental Housing Development, purchase and rehabilitation of the Park Street Apartments at 302 - 306 Park Street in Champaign, (04-05 AAP, \$127,551 funded). Per Redevelopment Plan, counts as 24 affordable units and 5 replacement units
- Urban League, affordable rental development for Lakeside Terrace, purchase of Crestwood Manor apartments in Urbana, counts as 20 affordable units and 4 replacements units (04-05 AAP, \$35,737 funded).
- Homestead Rental Housing Development (3 replacement units, \$102,300 budgeted in 05-06 AAP, \$72,610 budgeted in 05-06). At Homestead's request, this allocation was modified to allow construction of two homes for owner-occupancy.
- The City of Urbana's 2004 private activity bond cap of \$3,059,280 was reserved for neighborhood initiatives, including Lakeside Terrace.

Additional affordable housing projects that could contribute to replacement housing for Lakeside Terrace include the following:

- Ecological Construction Laboratory – (\$25,000 budgeted in 04-05 AAP, \$25,000 budgeted in 05-06)
- Habitat for Humanity – (Dedication of 3 to 4 lots in Urbana in 2006 per previous agreements, \$33,000 budgeted in 04-05 AAP, \$5,000 budgeted in 05-06 AAP)
- Urban League Lease Purchase Program – (\$93,750 for 5 units funded in 04-05; \$100,000 for 4 units funded in 05-06 AAP)
- Unprogrammed CHDO funds from previous fiscal years (\$38,970 in 05-06 AAP)
- Budgeted HOME acquisition/redevelopment activities (\$40,821 in 05-06 AAP)
- Kerr Street Development Planning (\$33,733 budgeted in 05-06 AAP)

In summary, a total of 9 replacement units for Lakeside Terrace has been provided by the Urban League. A total of 19 to 24 replacement units can be provided on-site depending upon the proposed density of the Lakeside Development Project. An additional 14 replacement units are to be provided elsewhere by the Housing Authority. This leaves a current deficit of approximately 33 to 38

affordable housing units to be provided at other locations as part of the Lakeside Redevelopment Plan. In other words, the City is approximately more than one-half of the way towards the replacement housing goal for Lakeside Terrace. Depending upon income levels of occupants and consideration of owner occupancy as a potential replacement model, an additional two units may be provided by Homestead, two units by EcoLab, and up to six may be provided by Habitat for Humanity under current and proposed activities. An annotated version of Table One from the Redevelopment Plan is attached to show current status.

A significant change since adoption of the Redevelopment Plan is the determination by Homestead Corporation that they will not be able to provide the anticipated amount of replacement housing due to market conditions and organizational capacity limitations. For this reason, the City is interested in seeking and working with additional development partners to achieve the replacement housing goals of the Redevelopment Plan. Potential partners include additional Urban League projects, Habitat for Humanity, EcoLab, and other affordable housing developers in the area. These partners can be sought via a future RFP or similar process.

Another major consideration in reviewing the Redevelopment Plan, is the City's apportionment of CDBG funds which have fallen dramatically since the 2003-2004 budget year, due to Federal budget decisions. The following table shows that these funds have dropped by an annual amount of \$96,000 or 16% since 2003-2004:

2003-2004 CDBG Allocation:	\$577,000
2004-2005 CDBG Allocation:	\$565,000
2005-2006 CDBG Allocation:	\$535,412
2006-2007 CDBG Allocation:	\$481,651

HOME funds have also decreased, but not as dramatically. These funding reductions mean that that much less can be done for the community in terms of affordable housing and social service programs. These reductions will be a major consideration in the upcoming budget process for the Annual Action Plan for 2006-2007.

Another major consideration for this update is evaluation of new site plans for the development (copies attached). Since adoption of the Redevelopment Plan, Brinshore Development has retained the architecture firm of Landon Bone Baker who have prepared schematic site plans for the project. In evaluating the alternate plans showing 75 units and 99 units, it is apparent to the development review team of City staff, HACC staff, developer and architect that the 75-unit alternative will provide a superior living environment in terms of housing choice, open space, layout, and compatibility with surroundings. The City's Community Development Commission had previously expressed a preference for redevelopment of the site with a density less than previously existing. The developer also prefers the 75 unit project size due to phasing and funding capacity limitations. For these reasons, City staff recommend that the Council support the 75-unit layout. While, implementation of the 75-unit site plan will reduce the amount of replacement units that can be provided on site from approximately 24 units to approximately 19 units, the development quality could outweigh this concern and additional replacement opportunities can be sought.

Finally, as a point of information, the project schedule included in the Redevelopment Plan has slipped approximately one year due to delays in completing demolition. Additional delays could occur depending upon the success of the low income tax credit application and other funding considerations. However, there is a high level of expectation on the part of the developer for completion in 2007, based upon the success and progress of the Burch Village project which employed a similar funding approach.

Fiscal Impacts

Redevelopment of Lakeside Terrace will have significant fiscal impacts. City participation has and will continue to involve major allocations of CDBG and HOME funds that could impact the ability to fund other affordable housing initiatives over a limited period of time. The impacts of this funding will be compounded by continued reductions in our allocation of CDBG and HOME funds, despite our increasing population. Redevelopment activities also affect City resources in that Community Development Services staff continue to contribute significant resources and time toward pre-development activities. This commitment of staff resources and time would extend through the life of the redevelopment project.

Recommendations

Staff requests that City Council review the adopted Lakeside Redevelopment Plan, the enclosed site plan layouts, and the updated information and provide guidance that will assist in future redevelopment efforts and funding approaches. Specific guidance is sought with respect to the desired density of the project, approaches for recruiting additional development partners, and identifying opportunities for additional replacement housing.

Staff can provide subsequent updates as the project plans proceed and will investigate additional funding measures as a part of the 06-07 Annual Action Plan, the process for which has already begun.

Enclosures:

Table One Updated
Adopted Redevelopment Plan for Lakeside Terrace, June 3, 2004
Conceptual Plans, 11/05, 3 sheets

Cc: Community Development Commission (to discuss at next meeting)
Edward Bland/Matthew Hogan, HACC
Rich Sciortino/Peter Levavi, Brinshore

TABLE ONE. SUMMARY TABLE

Plan Element	Developer/ Owner	Total Number of Units	Number of Replacement Units	Number of Other Affordable Units	Unit Type	Financing Mix	Total Cost	Cost Per Unit	City Contributions	2006 Status
[Current Lakeside]	HACC	[99 total/ 96 occupied]	NA	NA	Apts.	HACC asset	Unknown	NA	Previous assistance	Being demolished
On-Site Tax Credit Redevelopment	Brinshore Development	100	24	66	Apts./ Townhouse Style	Private/IHDA Tax Credits/LIHTC/IHDA HOME/Trust Fund/AHP Grant/City Bond Cap Conversion/CDBG	\$13.8 M	\$138,000	Bond Cap Conversion (\$150,000) /CDBG (\$150,000)	May opt for 75-unit site plan, would provide 18-19 replacement units
Replacement Public Housing Units	HACC	14 (for Lakeside formula)	14	NA	Unknown Scattered sites	HUD replacement funds	\$2.079 M	\$148,500	NA	Being processed by HACC through HUD
Scattered Sites: Purchase of Single Family Homes	Homestead Corporation	33	33	NA	SF homes: 11 2 bdrm 17 3 bdrm 5 4 bdrm	Private/IHDA HTF/FHLB AHP/HOME/ HACC vouchers	\$3.108 M	By size: \$84,000 \$94,500; \$115,500	HOME (\$478,000)	Will not be able to provide these units. Two homes under construction for owner-occupancy.
Scattered Sites: Purchase of Apartment Units	Urban League	44 (20 @ Crestwood; 24 @ Park Street)	9 (4 @ Crestwood; 5 @ Park Place)	35 (27 of the 44 units are already occupied.)	Apts. – 9 2 bdrm.	Private mortgage, IHDA, HOME, FHLB, HACC vouchers	\$2.301 M	\$54,778	03-04 AAP HOME Urbana CHDO (\$102,041) Other HOME (\$150,000) Urbana HOME (\$35,737)	Projects funded and completed.
TOTALS	NA	191	80	101	NA	NA	\$21.288M	\$54,778 – \$148,500 (\$105,879 is avg.)	\$915,778	One year of Bond cap ceded, Urban League and 2 units of modified Homestead projects funded. Some unobligated funds remain.

ORDINANCE NO. 2004-05-059

AN ORDINANCE ADOPTING THE CITY OF URBANA LAKESIDE TERRACE REDEVELOPMENT PLAN

WHEREAS, The City of Urbana has specifically addressed the redevelopment Lakeside Terrace in Strategy 5D of the City's Consolidated Plan for Program Year 2000-2004 which states: *"If redevelopment of Lakeside Terrace and Dunbar Court is possible without a significant reduction in the total number of permanent, subsidized housing units affordable to the lowest income families with children in the community, the City of Urbana will work with the Housing Authority of Champaign County to develop a HOPE VI application for the redevelopment of Lakeside Terrace and Dunbar Court to create a mixture of public housing, rental or homeownership units and residents representing a mix of incomes. The City will assist in developing a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units with a combination of new on-site units, scattered site units and Section 8 rent subsidies. Although Section 8 vouchers or certificates may be used to relocate households living at these complexes at the time of redevelopment, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low income families with children, irrespective of their income."*; and

WHEREAS, the Housing Authority of Champaign County has indicated in its 2004 Annual Plan that it intends to demolish and redevelop the Lakeside Terrace multi family apartment complex; and

WHEREAS, on March 1, 2004 the City of Urbana adopted Resolution No. 2004-02-003 entitled a "Resolution Clarifying the Urbana City Council's Position on Redevelopment of Lakeside Terrace" which reconfirmed the City's commitment to the preparation and implementation of a viable redevelopment

plan that is consistent with the replacement goals of the Consolidated Plan as a necessary precedent to any demolition of Lakeside Terrace; and

WHEREAS, On April 5, 2004, the City of Urbana adopted a Draft Intergovernmental Agreement with the Housing Authority of Champaign County Regarding the Redevelopment of Lakeside Terrace; and

WHEREAS, the above referenced Agreement directed Urbana City staff to prepare a Draft Redevelopment Plan for City Council review by the Council Committee of the Whole meeting of April 12, 2004; and

WHEREAS, Urbana City Council Committee of the Whole reviewed the Draft Redevelopment Plan for Lakeside Terrace at their April 12, 2004 meeting and provided staff with comments and guidance to complete the Plan; and

WHEREAS, on April 18, 2004, a notice was published in the Champaign-Urbana News Gazette announcing a public review period beginning April 19, 2004, and ending April 29, 2004; and announcing April 27, 2004 public hearings on the Draft Lakeside Terrace Redevelopment Plan; and

WHEREAS, Community Development Services staff held a public hearing on the Draft Lakeside Terrace Redevelopment Plan at 7:00 PM on April 27, 2004, at the Urbana City Building, 400 South Vine Street, Urbana, Illinois; and

WHEREAS, Community Development Services staff has made revisions to the Draft to create the Lakeside Terrace Redevelopment Plan, released on May 20, 2004 and as further modified and released on June 3, 2004; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the City of Urbana Lakeside Terrace Redevelopment Plan, as attached hereto and incorporated herein by reference, is hereby adopted.

Section 2. That the City of Urbana is hereby committed to pursue the implementation of actions necessary in connection with said Lakeside Terrace Redevelopment Plan, including letters of support, funding, planning review and approval, etc.

PASSED by the City Council this _____ day of _____
2004.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
2004.

Tod Satterthwaite, Mayor



Lakeside Terrace Redevelopment Plan



June 3, 2004





Lakeside Terrace Redevelopment Plan

June 3, 2004

CITY OF URBANA

Tod Satterthwaite, Mayor

City Council

Danielle Chynoweth, Ward 4

James Hayes, Ward 3

Laura Huth, Ward 5

Esther Patt, Ward 1

Milton Otto, Ward 6

Joseph A. Whelan, Ward 7

Ruth Wyman, Ward 2

Chief Administrative Officer

Bruce K. Walden

Community Development Services

Elizabeth Tyler, Director

Bob Grewe, Grants Division Manager

PROJECT PARTNERS

Housing Authority of Champaign County

Edward Bland, Executive Director

Matthew Hogan

Brinshore Development, LLC

Richard Sciortino, President

Peter Levavi, Senior Vice President

Homestead, Corporation

Jim Rose, Executive Director

The Urban League of Champaign County

Jean Algee, Vice President, Dept. of Housing Programs and Services

LAKESIDE TERRACE REDEVELOPMENT PLAN

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EXHIBITS

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- Exhibit B: Zoning Map
- Exhibit C: Existing Land Use Map
- Exhibit D: Future Land Use Map
- Exhibit E: Aerial Map
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APPENDICES

A. Supporting Actions

- i. AN ORDINANCE ADOPTING THE CITY OF URBANA LAKESIDE TERRACE REDEVELOPMENT PLAN
- ii. RESOLUTION CLARIFYING THE URBANA CITY COUNCIL'S POSITION ON REDEVELOPMENT OF LAKESIDE TERRACE
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- iv. PUBLIC HEARING NOTICE AND MINUTES

B. Design Examples

- i. SAMPLE STREET ELEVATION
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C. On-Site Redevelopment

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D. Housing Authority of Champaign County

- i. HACC INTEROFFICE MEMORANDA
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E. Homestead Corporation

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F. Urban League of Champaign County

- i. URBAN LEAGUE SCATTERED SITE SPREADSHEETS

SUMMARY

This redevelopment plan has been prepared by the City of Urbana in response to a proposal by the Housing Authority of Champaign County (HACC) to redevelop the Lakeside Terrace Apartments public housing project in north central Urbana.

The HACC indicates in their 2004 Annual Plan that they plan to demolish the 99-unit Lakeside Terrace public housing facility and develop a new, mixed-income rental housing development on the site.

The City of Urbana has a long-standing policy, as currently stated in its Consolidated Plan for Program Years 2000 - 2004, that if Lakeside Terrace is redeveloped, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low income families with children, irrespective of their income.

Using this replacement goal as a basis, this redevelopment plan provides a detailed framework to meet the interest and policy directives of both the Housing Authority and the City of Urbana in redeveloping Lakeside Terrace, while maintaining and improving the stock of affordable housing opportunities available to very low income persons in Champaign County.

INTRODUCTION

Constructed in 1952 by the Housing Authority of Champaign County (HACC), the Lakeside Terrace apartments contain 99 two-level apartments contained in a total of 22 townhouse style buildings. The nine-acre site is located in north central Urbana directly east of Crystal Lake Park with access from Lakeside Terrace off of Broadway Avenue. The apartments are bounded to the north by the recently renovated Country Club Apartments and by single-family residences to the north and east. The Saline Ditch extends along the south side of the site and a large vacant property is located to the northeast along Kerr Avenue. The subject site also contains a Don Moyers' Boys and Girls Club, which provides after school activities for children and youth living at the facility. A total of 96 units are currently occupied. HACC records show that the average tenure of the residents is on the order of three years. Two of the units have been occupied by the same residents for over 20 years; 17 have been occupied for 5 to 10 years; 14 units have been occupied for 3 to 4 years; and 61 have been occupied for two or fewer years.

Due to the age and type of construction and limitations of the unit and building layout, the apartments are considered by HACC staff and consulting architects to be of obsolete construction. The need to provide more modern facilities with improved unit access, site improvements, landscaping, unit size, and amenities such as in-unit washers and dryers have been confirmed at resident meetings. HACC studies show that it would take approximately 14.603 million dollars, or \$147,512 per unit, to bring the units up to current standards. U.S. Department of Housing and Urban Development (HUD) policies do not provide for renovation of obsolete public housing facilities. Rather, redevelopment with mixed-income "communities of choice" has been the policy driver of HUD funding for public housing over the past three administrations.

BACKGROUND

This Redevelopment Plan for Lakeside Terrace has been developed based upon a number of contributing sources, including the relevant plans and policies of the City of Urbana and the Housing Authority of Champaign County; the findings of recent joint study sessions conducted by the City Council and the Community Development Commission of the City of Urbana with the assistance of the Housing Authority; statements of policy pertaining to the redevelopment of Lakeside Terrace and adopted by the City Council; and a draft interagency agreement between the City of Urbana and the Housing Authority of Champaign County adopted by the City on April 5, 2004 (copy appended).

The redevelopment of Lakeside Terrace is specifically addressed in Strategy 5D of the City's Consolidated Plan for Program Years 2000-2004 which states:

“If redevelopment of Lakeside Terrace and Dunbar Court is possible without a significant reduction in the total number of permanent, subsidized housing units affordable to the lowest income families with children in the community, the City of Urbana will work with the Housing Authority of Champaign County to develop a HOPE VI application for the redevelopment of Lakeside Terrace and Dunbar Court to create a mixture of public housing, rental or homeownership units and residents representing a mix of incomes. The City will assist in developing a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units with a combination of new on-site units, scattered site units and Section 8 rent subsidies. Although Section 8 vouchers or certificates may be used to relocate households living at these complexes at the time of redevelopment, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low income families with children, irrespective of their income.”

The above policy was initially adopted in 1995 as a part of the 1995-1999 Five Year Consolidated Plan which coincided with previous unsuccessful attempts to obtain HOPE VI program funding for the redevelopment of Lakeside Terrace. The policy was once again adopted as a part of the current Five Year Consolidated Plan for 2000 – 2004. Since that time, the HACC has hired a developer, Brinshore Development, LLC, to assist in the redevelopment of Lakeside Terrace and has prepared an application for HOPE VI funds for demolition of Lakeside Terrace. A recent submittal of this application to HUD was unsuccessful. Pending the successful adoption of this Redevelopment Plan, the HACC plans to resubmit the demolition application prior to December 2004, for possible funding in 2005. Other documents recently prepared by the HACC to support the redevelopment of Lakeside Terrace include a “Section 8 Administrative Plan: Project Based Assistance Plan” which addresses conversion of Section 8 vouchers to project-based status and a “Lakeside Terrace Relocation Plan”, prepared pursuant to the requirements of HUD and the Uniform Relocation Act.

Proposed program changes were noted in the Thursday March 18, 2004 issue of the Federal Register to the Project-Based Voucher Program which is a key component of this plan. One of the proposed changes is to limit the term of a Housing Assistance Program (HAP) Contract for Project-Based Assistance to ten (10) years with a one (1) year extension. The current rules allow for up to two five (5) year extensions on the initial 10 years. The proposed rule also notes that

continuation of a full term is subject to the future availability of sufficient appropriated funds under the PHA's Agreement with HUD. The City of Urbana has stated a goal to maximize the affordability period for the replacement units created under this plan. Through the use of subrecipient agreements and other measures the City will seek to ensure a minimum affordability period of twenty (20) years for the replacement units, while keeping within the term extension limits set forth by HUD. Such measures might include, but would not be limited to, land use restrictions, land trusts and similar instruments used to ensure affordability for a specified period of time.

REVIEW PROCESS

A Draft version of this Redevelopment Plan was issued on April 8, 2004 for public review and comment. The Draft Redevelopment Plan was reviewed by the Urbana City Council, the Board of the Housing Authority of Champaign County, the Urbana Plan Commission, the Urbana Community Development Commission, Urbana School District Board, and other interested individuals and agencies.

The Urbana Community Development Commission held a Public Hearing on the Draft Lakeside Terrace Redevelopment Plan on April 27, 2004. A copy of the minutes of the Public Hearing is attached. A public presentation on the Redevelopment Plan was also made at a neighborhood meeting held on April 29, 2004.

City Council reviewed a revised draft of the Redevelopment Plan on May 24, 2004 and suggested additional revisions that are incorporated herein. This Final version of the Redevelopment Plan incorporates all of the comments and revisions made by various individuals and agencies throughout the public review process.

APPROACH

The overall approach for the Redevelopment Plan is outlined in Council Resolution No. 2004-02-003R, entitled a "Resolution Clarifying the Urbana City Council's Position on Redevelopment of Lakeside Terrace", adopted on March 1, 2004 (copy appended). This Resolution recites the lack of affordable housing for extremely low income families with children as being a serious problem in Urbana and surrounding communities and notes that the Champaign County Continuum of Care's most recent homeless survey found that more than 100 children are homeless in Champaign County every night. The Resolution also references Strategy 5D of the City of Urbana's 2000-2004 Consolidated Plan.

The Resolution reconfirms the City's commitment to the preparation and implementation of a viable redevelopment plan that is consistent with the replacement goals of the Consolidated Plan as a necessary precedent to any demolition of Lakeside Terrace. It further sets forth the following parameters to guide the subsequent development of an Interagency Agreement between the City and the Housing Authority regarding the redevelopment effort:

- a. These 80 replacement units will be a combination of public housing units at a mixed-income, multi-family development at the former Lakeside Terrace site, scattered site*

- single-family homes developed by non-profit organizations, and public housing units at mixed-income, multi-family structures acquired or constructed by non-profit organizations.*
- b. Replacement housing will be provided in coordination with Community Housing Development Organizations (CHDO's) and other non-profit organizations in order to build the capacity of existing CHDO's and to encourage the creation of new CHDO's.*
 - c. The replacement housing plan will leverage city money with as many financing tools as possible available to the HACC (such as Public Housing Replacement Funds, Affordable Housing Program Grant Funds, and Illinois Housing Development Authority Trust Funds) so that the City will be able to maintain a diversity of housing programs funded by CDBG and HOME, and preserve its social service funding.*
 - d. Affordability of the replacement housing for the lowest income families with children in our community will be guaranteed for the longest period of time possible with a target of a minimum of 20 years.*

On April 5, 2004, the City of Urbana adopted a Draft Intergovernmental Agreement with the Housing Authority of Champaign County Regarding the Redevelopment of Lakeside Terrace. This Agreement identifies the following essential elements of the redevelopment effort:

- Adoption of this Redevelopment Plan to include a combination of on-site redevelopment with tax credit and project-based Section 8 voucher apartments and public housing replacement units to be provided by HACC under the HUD replacement formula.*
- Adoption and implementation by the HACC of the Section 8 Administrative Plan: Project Based Assistance Plan.*
- Application to HUD and subsequent use by the HACC for replacement housing funds to provide as many replacement public housing units as funding will allow throughout Champaign County to offset those lost at Lakeside Terrace.*
- Maximization of the affordability periods for the project-based vouchers and the newly created public housing units.*
- Adoption and implementation of the Lakeside Terrace Relocation Plan including regular meetings and coordination with residents*
- City support of Lakeside Terrace redevelopment activities*
- City contributions to Lakeside Terrace redevelopment through the Annual Action Plan process.*

The Housing Authority has indicated that they have forwarded a copy of the Draft Intergovernmental Agreement to HUD for review and consideration prior to their final approval of the Agreement.

REDEVELOPMENT ELEMENTS

Based upon the parameters and approach set forth above, the proposed redevelopment of Lakeside Terrace will consist of the following general components:

1. Demolition of the existing Lakeside Terrace Apartments and relocation of all then existing tenants.

2. On-Site Redevelopment with 100 tax credit units, 24 of which shall be designated as replacement units through the use of project-based Section 8 vouchers.
3. Application for Replacement Units funds from HUD by the HACC for a total of approximately 14 new public housing units to be developed at any location throughout Champaign County.
4. Provision of off-site scattered replacement housing by local CHDO's, including Homestead Corporation with 33 single-family residences and the Urban League with 9 redeveloped apartment units.

Each element of the redevelopment is described in greater detail below and is itemized in the attached spreadsheets. Table One provides a summary of the Redevelopment Plan elements, identifying the number of units created, the number of units that will be available to very low income residents (through use of project-based vouchers or other provisions), the number of other affordable units created (if any), unit type (if defined), financing mix, total cost, cost per unit, and form of City contribution to the element.

Demolition/Relocation

The HACC proposes to reapply to HUD for HOPE VI funds for demolition of Lakeside Terrace and relocation activities for the next round of available funding or by December 2004, for possible approval in Spring 2005. As a part of the Demolition, the HACC will follow the provisions outlined in the Lakeside Terrace Relocation Plan to provide for relocation assistance under the terms of the Uniform Relocation Act. This Relocation Plan will involve the close coordination and communication with project residents to assist them in their relocation needs and to apprise them of the redevelopment efforts.

The Housing Authority of Champaign County has indicated that efforts will be made to ensure that relocation activities for tenants with children will be completed during the summer break in order to minimize the impact of the relocation. The HACC and City will coordinate with the Urbana School District to plan for and address issues of educational continuity, school choice, and school size impacts resulting from the redevelopment.

On-Site Project

Once cleared, the 9-acre Lakeside Terrace site will be redeveloped with 100 new tax-credit apartments developed by Brinshore Development, LLC. Of these 100 new apartments, 24 are proposed to serve as replacement units for Lakeside Terrace through dedication of project-based Section 8 vouchers by the HACC to guarantee affordability to very low-income residents. As noted in the HACC Project Based Assistance Plan, dedication of these project-based vouchers are awarded on a competitive basis. As the designated developer for Lakeside Terrace, Brinshore should score well under the selection criteria identified by HACC in their Section 8 Administrative Plan. The number of project-based vouchers that may be applied at this location is limited to no more than 25% according to the deconcentration of poverty goals of HUD.

Funding will be provided by a combination of private financing, Illinois Housing Development Authority (IHDA) tax credits, Low Income Housing Tax Credits (LIHTC), IHDA HOME funds,

the IHDA Trust Fund, and the Federal Home Loan Bank's (FHLB) Affordable Housing Program (AHP) grant. City contributions will be provided in the form of IHDA bond cap conversion (estimated at \$150,000 over a three-year period) and CDBG-eligible funds (estimated at \$150,000) to serve as gap funding and a local match to IHDA HOME funds. HACC will provide the land, demolition and relocation funding (from HUD grant), and the dedication of 24 project-based Section 8 vouchers to the project.

Architectural plans have not yet been developed by Brinshore Development, LLC, but the firm has successfully developed other tax credit/public housing redevelopment projects at this density elsewhere in Illinois and nearby states. Attached is a summary of similar projects undertaken by Brinshore.

The proposed redevelopment would be at an approximate density of 11 units per acre. This is considered to be a moderate density for urban locations. It is substantially less than the density of the apartments located to the north of the site, but higher than the single-family units to the south of the site. Overall, the proposed density is compatible with that found elsewhere in the Crystal Lake Park area and is consistent with Urbana's investment and planning effort to revitalize the downtown area.

The current layout of Lakeside Terrace is highly inefficient and does not represent the most optimal use of the site. Using contemporary "new urbanist" approaches to design and layout, the current site should be able to accommodate the proposed 100 units in a mixture of traditional apartment and townhouse styles, while creating additional usable open space and visual appeal to the property. Attached are sample elevations, prepared by ADG LTD Architectural Design Group, depicting the townhouse style that may be employed on the site.

Site planning efforts to demonstrate these goals to create an improved utilization and visual appeal of the property are currently underway. Among the site plan layouts being developed by the HACC is one to show equal arrangement of 100 units on the site and one to show two (2) 16-unit buildings in the southeast part of the parcel and the other 64 units equally arranged on the balance of the site. This arrangement provides for high density in a smaller area, while allowing the majority of the site to reflect a less dense development. These example layouts are appended. The HACC is also exploring other site planning layouts of lesser densities. Brinshore Development, LLC will be preparing their own site plans and elevations as the project progresses.

In the course of the site planning, efforts will be made to incorporate the concept of developing greenway along the Saline Creek to link Crystal Lake Park with park properties on the east side of Cunningham Avenue. Such an improvement would be an attractive amenity for the property and should increase market appeal.

Review of the proposed layout by the City of Urbana will occur at a later date as a part of a Special Use Permit for the project. The special use permit review process will address issues such as parking, building layout, setbacks, open space, street connectivity, and relationship to the surrounding neighborhood.

Of the 100 units created by this project, 90 would be affordable at some level, with 24 at public housing levels (i.e., 30% or lower of Area Median Income (AMI), 16 at 50% AMI, 50 at 60%

AMI, and 10 at market rates. The projected cost for this project would be \$13.8 million, for a per unit cost of \$138,000. The unit mix in terms of number of bedrooms has not yet been determined by Brinshore and would be dependent upon market analysis and demand.

It should be noted that while HUD defines very low income to be 30% or lower of AMI, the City's replacement housing goals are to serve the very low-income families with children at the site regardless of income. This means that the actual income for these replacement units will likely be much lower than the 30% AMI guideline suggests.

In the course of the redevelopment of Lakeside Terrace, the former, on-site maintenance building will be demolished. While Brinshore plans to include a meeting/gathering facility in their development plan, the facility will not be dedicated to specific programming such as the Boys and Girls Club. In that the new Lakeside Terrace development will be mixed income, it is not anticipated that there will be a significant number of very low-income families that will desire an on-site facility like the current Boys and Girls Club. Since many of the public housing replacement units will be in scattered sites throughout the community, it is anticipated that families in these units will be able to access conventional youth programming.

City staff has discussed the planned redevelopment of Lakeside Terrace with the Don Moyer Boys and Girls Club Executive Director. Both parties agree that the population dynamics of Lakeside Terrace will change with the redevelopment and that the demand for their youth programming will change. Further, the Boys and Girls Club has noted that their programming is not targeted for a specific demographic; rather their efforts are to reach all children. The Boys and Girls Club is currently working to identify a new location in Urbana to continue their youth programming and anticipates working with the school district to accomplish this.

Replacement Units

Demolition of the Lakeside Terrace Apartments will allow the HACC to apply to HUD for funding to provide replacement public housing units under the provisions of PIH Notice 2003-10. Based upon the provisions allowed under another HACC project, HACC staff estimate that HUD would provide a replacement fund of \$2,100 per unit over a 5-year period with a possible 5-year extension, for a total of 10 years. Based on this formula, the HACC would receive up to \$207,900 a year for 5 to 10 years, or a total of \$1,039,500 to \$2,079,000. Based upon the per unit cost of new public housing development, this would equate to approximately 14 new public housing units that could be developed from this fund. These replacement units may be developed on scattered sites throughout Champaign County. The HACC would work with HUD on the calculation and disposition of these funds based upon the applicable rules. The location and description of these units has not yet been determined by the HACC.

The HACC has indicated its intention to pursue and utilize these funds to the maximum extent. (See Interoffice Memorandum from Edward Bland to Tod Satterthwaite, dated February 13, 2004). HACC staff has prepared a spreadsheet for the replacement housing plan (attached), showing a two-phased approach with 7 units being provided between 2005 and 2007 and a second 7 units being provided between 2007 and 2009. This replacement housing plan assumes that the HACC will receive \$2,100 per year per demolished public housing unit and that the HACC will receive a five-year funding extension for the early obligation of replacement housing funds by HUD.

Scattered Site Units by Non-Profits

In preparing this Redevelopment Plan, City staff requested proposals from the two Community Housing Development Organizations (CHDO's) currently active in the area - Homestead Corporation and the Urban League - to assist in the provision of replacement units that would be located at scattered sites throughout Champaign County. Funding support for these replacement units would be provided with the help of project-based Section 8 vouchers from the HACC and the dedication of the City's HOME funds and CHDO set-aside funds. The scattered site proposals would include both single-family rental homes (by Homestead) and multi-unit apartment rentals (by the Urban League). The mix of housing types will help to respond to the specific housing needs and preferences of very low-income families, with an emphasis on single-family rental opportunities.

Because both Homestead and the Urban League have proven track records in developing and managing affordable housing in Champaign County and are both recognized by the Champaign County HOME Consortium as CHDO's, it is expected that they would be able to compete successfully for the project-based Section 8 vouchers that are essential to guarantee the affordability and cost-effectiveness of these replacement units.

Homestead Corporation Proposal: Homestead Corporation has previously been designated by HACC and Brinshore Development, LLC, as the selected developer partner for the off-site component of the redevelopment plan. As a part of this plan and in response to a request by City staff, Homestead Corporation has proposed to purchase, lease, and manage 33 single-family housing units over a period of three years (at 11 per year). These single-family homes would consist of 11 two-bedroom homes, 17 three-bedroom homes, and 5 four-bedroom homes. The acquisition of rental homes is an important element of providing housing suitable for families, consistent with this provision of the Consolidated Plan strategy. The unit mix has been chosen to assist in replication of the unit mix found at Lakeside Terrace. The locations of the 33 homes have not yet been identified, but they could be located throughout Champaign County. Locational diversity is important due to the relatively limited stock of available housing. However, to best meet the needs of the residents, proximity to employment, necessary services, and public transit will be essential. For these reasons, it is expected that the selected homes will be within or nearby the cities of Champaign, Urbana, Rantoul, and Savoy.

The total cost of acquisition for the 33 homes is estimated at \$3,108,000, or an average of \$94,180 per unit (\$84,000 for two-bedroom homes; \$94,500 for three-bedroom homes; and \$115,500 for four-bedroom homes). Funding for the 33 homes would be provided through a mix of private mortgages, IHDA Housing Trust Fund, FHLB AHP (Federal Home Loan Bank Affordable Housing Program Direct Subsidies), and the City's HOME Consortium funds and HOME CHDO forgivable loans. The projected City HOME funds would total \$478,000.

Affordability would be assured through the dedication of project-based Section 8 vouchers by the HACC to all 33 homes. The affordability period for the voucher is anticipated to comprise an initial 10 years with two additional five-year extensions, consistent with HUD policies, and as these may be modified. As set forth in the HACC Section 8 Project-Based Plan, any designation of project-based vouchers to these endeavors would have to be on a competitive basis, through the use of an RFP process. The City has suggested that additional points be awarded for CHDO

designation. In addition, Homestead's previous designation as a redevelopment partner by Brinshore and HACC should help to promote their involvement in the Lakeside Redevelopment Plan.

Homestead Corporation is an experienced local affordable housing developer and manager. They currently manage nine rental homes in Champaign-Urbana that they have either developed or purchased, as well as a 32-unit single room occupancy development in Urbana. A summary of Homestead's current single-family home portfolio and their proposal for Lakeside Terrace replacement units is attached.

The Urban League: The Urban League is another experienced affordable housing and social service provider in the area. They are currently funded by the City for a popular "lease-to-purchase" program that provides home ownership opportunities and training for low-income families.

In response to a request by the City, the Urban League has proposed to set aside a total of nine apartments from two apartment acquisition and renovation projects that are planned in the near future to help fulfill the Lakeside Terrace replacement requirements. One of these apartment projects, Crestwood Manor, is located in Urbana on Lierman Avenue. This complex has 20 units, 3 of which are vacant. The second complex is located in Champaign at 302,304 and 306 Park Street. This complex has 24 units, 14 of which are vacant. All of the Crestwood Manor apartments are two-bedroom units and 22 of the Park Street apartments are two-bedroom units, with the remaining two units being one-bedroom apartments.

As shown on the attached project summary, the Urban League has proposed that four of the units at Crestwood Manor and five of the units at Park Place be identified and supported as Lakeside Terrace replacement units through the application of HACC Section 8 Project-Based vouchers and other funding mechanisms. These nine units would be affordable to very low-income residents at or below 30% MFI. Again, it is understood that in order to qualify as replacement units, the intent will be to provide affordable housing opportunities to extremely low income families with children, irrespective of their income. Therefore, the actual income of these occupants is likely to be much lower than the 30% MFI guideline. Consistent with the Urban League's mission to provide affordable housing, all of the remaining units would be affordable to 50% or below MFI. The affordability period for the vouchers is anticipated to comprise an initial 10 years with two additional five-year extensions, consistent with HUD policies, and as these policies may be modified. As noted above, according to the HACC Section 8 Project-Based Plan, any designation of project-based vouchers to these endeavors would have to be on a competitive basis, through the use of an RFP process. Additional points may be granted for CHDO designation.

The Housing Authority staff will need to request a waiver from HUD to provide Section 8 Project Based Vouchers for the Park Place Apartments, since it is located in a census tract where the poverty level (at 36.5%) exceeds the maximum target of 20%.

Financing for the purchase and renovation of the apartment complexes is proposed through a combination of a private mortgage, IHDA grant, City HOME funds, and the FHLB. Pursuant to this proposal, the Urban League has submitted a request for FY04-05 funds for \$102,041 of CHDO set-aside funds and \$150,000 in other HOME funds for renovation of the Park Street

project. This funding is proposed as part of the recently adopted Annual Action Plan (AAP) for Fiscal Year 04-05 funding. In addition, the AAP designates a total of \$35,737 for affordable rental programs to be used towards the Lakeside Terrace Redevelopment Plan which could be applied to the Urban League projects, as shown in the attached spreadsheet.

ACCESSIBILITY

For the 100 units to be developed on-site, Brinshore Development LLC has indicated that they will pursue the following accessibility goals and requirements:

1. Accessibility Requirements:
All development will meet and exceed the requirements of the Rehabilitation Act, Americans with Disabilities Act, Fair Housing Act Amendments, and the Illinois Accessibility Code.
2. Visitable Units:
 - a. All units that have floor space on the ground floor will be visitable.
 - b. All buildings will be slab on grade to create “no step” entries for all ground floor units.
 - c. All ground floor doors will be 3’0” wide and hallways will be wide enough to accommodate wheel chairs.
 - d. All units with floor space on the ground floor will have a ground floor ½ bath with adequate turning radius for a wheel chair, blocking in the wall for future addition of grab bars, and a room large enough to entertain.
3. Accessible Units:
 - a. A minimum of 5% of total units will be fully accessible.
 - b. All bedroom sizes will have an accessible ground floor unit available.
4. Adaptable Units:
 - a. A minimum of 20% of total units will be adaptable.
 - b. Adaptable units will contain wall blocking, and the developer will convert units to fully accessible at developer’s expense, upon request.

The units to be developed by the Housing Authority will meet all applicable HUD PHA requirements.

The units to be developed by Homestead, since they are not “new” construction, will have no visitability requirements. Homestead may choose to seek additional funds to provide modifications for accessibility if desired.

The units to be developed by Urban League, since they are not “new” construction, will have no visitability requirements. However, the Urban League has indicated that they will attempt to provide visitability to some of the Park Street units in Champaign. Further design and funding analysis will determine if this is possible.

CITY OBLIGATIONS

As shown in the attached summary table and appended spreadsheets, the City would provide support to the proposed Redevelopment Plan in the form of HOME and CDBG funds and through ceding of the City’s bond cap. These obligations would total \$915,778 through the life of the redevelopment plan and would be distributed approximately as follows:

Brinshore On-Site Redevelopment	\$300,000
HOMESTEAD Scattered Site Homes	\$478,000
Urban League Scattered Site Apts.	\$137,778
TOTAL	\$915,778

This funding will be dependent upon final IHDA acceptance of the bond cap ceding (this has been received positively at a preliminary level) and continued Federal funding of the HOME and CDBG funding programs to entitlement communities.

Significant City support is also being provided through City staffing. Current staffing needs are being provided by the City's Grants Management Manager and City Planner. As the redevelopment progresses, the City's Planning Manager will address community and site planning issues, the HOME Consortium Coordinator will administer HOME funds and work with the designated CHDO's, and the Redevelopment Specialist will provide project development support.

FINANCIAL IMPACT

As noted above, the total cost of City obligations for the redevelopment plan will equal approximately \$915,778 spread over four years (2004 – 2007).

The project will also result in some financial benefit to the City, however. Currently, the Lakeside Terrace site and improvements are tax exempt and yield no property taxes. With redevelopment, there would be an increase in EAV and property tax collected even with adjustment for tax credits. This is estimated to total \$174,247 accruing to all taxing districts on an annual basis. Of this amount, \$27,252 will go to the City, \$96,578 to the School District, \$16,062 to the Park District, and \$14,718 to the County.

To the extent that the redevelopment plan achieves a reduction in the concentration of poverty at the site, it may also result in reduced service costs such as public safety calls and costs to the educational system. These reductions are difficult to itemize.

The proposed Redevelopment Plan would allow for continued funding of other affordable housing programs through the use of the City's remaining and previously obligated CDBG and HOME funds. These other programs include those proposed by other housing providers, including Habitat for Humanity and other emerging CHDO's and non-profits, as set forth in the current draft of the City's 04-05 Annual Action Plan. This Annual Action Plan and previous funding year carryovers also include a number of physical improvements to benefit local social service agencies, such as Provena's Mental Health Center Group Home, Family Service, TIMES Center, Developmental Services Center, and the Center for Women in Transition. In addition, City programs pertaining to neighborhood organizations, neighborhood cleanup, home improvement programs, transitional housing, and tenant based rent assistance would be able to continue as evaluated on an annual basis. Social service funding would also be able to continue unreduced by these obligations.

The AAP also provides for continued property acquisition to provide for future affordable housing or economic development opportunities. The recently adopted AAP for Fiscal Year 04-05 provides for granting of four currently available affordable housing lots to non-profits for development and designates an additional \$52,865 in CDBG funds for future property acquisition. It also includes a total of \$110,000 in CDBG funds and \$52,903 in HOME funds for acquisition of properties in the Lakeside Drive vicinity (along Kerr Street) to assist in future significant development efforts in this area.

IMPLEMENTATION

There are several steps necessary to achieve implementation of the Lakeside Redevelopment Plan. Specific dates for these steps and tasks can be modified as the plan evolves. These steps in approximate chronological order are set forth in the Implementation Table on the following page.

Implementation of first actions to accomplish the Plan has already begun. At the May 3, 2004 regular meeting of the Urbana City Council, the FY 2004-2005 Annual Action Plan was approved. Included in the Plan is funding for some of the component parts of this Plan. Funded projects are as follows:

- \$102,041 HOME CHDO funding for Urban League's Park Place Apartments.
- \$35,737 HOME and Urbana funding for developing rental units related to the redevelopment of Lakeside Terrace.

Future steps to be completed by the City will include support for the tax credit application for the on-site project, review and approval of a special use permit for the on-site project, consideration of funding proposals for the on-site and scattered site elements through subsequent annual action plan processes, and execution of subrecipient agreements for the use of City entitlement funds.

IMPLEMENTATION TABLE

TASK	RESPONSIBILITY	TIMELINE
Adopt Intergovt. Agreement	City	April 5, 2004
Review Draft Redevelopment Plan	City Council Committee	April 12, 2004
Draft Redevelopment Plan Presentation	Plan Commission (staff report)	April 22, 2004
Review Draft Redevelopment Plan/Public Hearing	Community Development Commission	April 27, 2004
Lakeside Nbhd. Meeting	HACC/City	April 29, 2004
Review Intergovt. Agreement	HACC	April 29, 2004
Review Draft Redevelopment Plan	HACC	April 29, 2004, May 27, 2004
Adopt Section 8 Plan	HACC	April – May 2004
Adopt Relocation Plan	HACC	April – May 2004
City Review Final Version of Plan	City	May 24, 2004
Intergovt. Agreement Review by HUD	HACC	June, 2004
Adopt 04-05 AAP including Lakeside redevelopment supporting items	City	May 2004
Present Redevelopment Plan to School District	City/HACC	June 1, 2004
Adopt Final Redevelopment Plan	City	June 7, 2004
Request Bond Cap Ceding for Lakeside Terrace	City	April – May 2004
Secure financing & replacement properties	Urban League	April – June 2004
Execute subrecipient agreement with Urban League for replacement units	City/Urban League	June – July 2004
Apply for demolition/relocation funds to HUD	HACC	Next available cycle or by December 2004
Apply for IHDA Tax credits	Brinshore	By December 2004
Apply for Special Use Permit approval	Brinshore/City	January 2005
Include City obligations in AAP for 05-06	City	April – May 2005
Execute subrecipient agreements	City/Brinshore/Homestead/Urban League	May – June 2005
Secure financing and start property acquisition	Homestead	July 2005
Relocation Efforts per Relocation Plan	HACC	June 2005 – July 2005
Demolition of Lakeside	HACC	July 2005
Request Replacement Funds to HUD (must follow demolition)	HACC	July 2005
On-site Construction begins	Brinshore	September 2005
Construction completed, ready for occupancy	Brinshore	December 2006
Lease-up	Brinshore	April 2007
Continue scattered site construction	Homestead	Through 2007

TABLE ONE. SUMMARY TABLE

Plan Element	Developer/ Owner	Total Number of Units	Number of Replacement Units	Number of Other Affordable Units	Unit Type	Financing Mix	Total Cost	Cost Per Unit	City Contributions
[Current Lakeside]	HIACC	[99 total/ 96 occupied]	NA	NA	Apts.	HACC asset	Unknown	NA	Previous assistance
On-Site Tax Credit Redevelopment	Brinshore Development	100	24	66	Apts./ Townhouse Style	Private/IHDA Tax Credits/LIHTC/IHDA HOME/Trust Fund/AHP Grant/City Bond Cap Conversion/CDBG	\$13.8 M	\$138,000	Bond Cap Conversion (\$150,000) /CDBG (\$150,000)
Replacement Public Housing Units	HIACC	14 (for Lakeside formula)	14	NA	Unknown Scattered sites	HUD replacement funds	\$2.079 M	\$148,500	NA
Scattered Sites: Purchase of Single Family Homes	Homestead Corporation	33	33	NA	SF homes: 11 2 bdrm 17 3 bdrm 5 4 bdrm	Private/IHDA HTF/FHLB AHP/HOME/ HACC vouchers	\$3.108 M	By size: \$84,000 \$94,500; \$115,500	HOME (\$478,000)
Scattered Sites: Purchase of Apartment Units	Urban League	44 (20 @ Crestwood; 24 @ Park Street)	9 (4 @ Crestwood; 5 @ Park Place)	35 (27 of the 44 units are already occupied.)	Apts. – 9 2 bdrm.	Private mortgage, IHDA, HOME, FHLB, HACC vouchers	\$2.301 M	\$54,778	03-04 AAP HOME Urbana CHDO (\$102,041) Other HOME (\$150,000) Urbana HOME (\$35,737)
TOTALS	NA	191	80	101	NA	NA	\$21.288M	\$54,778 – \$148,500 (\$105,879 is avg.)	\$915,778

LAKESIDE TERRACE REDEVELOPMENT PLAN

Entitlement Funding Analysis

HOME and CDBG Programs & Private Activity Bond Cap

	YEAR 1 2004-2005	YEAR 2 2005-2006	YEAR 3 2006-2007	YEAR 4 2007-2008	YEAR 5 2008-2009	YEAR 6 2009-2010	Total
HOME (Urbana Allocation Grant)	\$268,512	\$268,512	\$268,512	\$268,512	\$268,512	\$268,512	\$1,611,072
HOME (Match)	\$67,128	\$67,128	\$67,128	\$67,128	\$67,128	\$67,128	\$402,768
HOME Total Funds	\$335,640	\$335,640	\$335,640	\$335,640	\$335,640	\$335,640	\$2,013,840
Community Housing Development Funds (Urban League Park Place)	\$102,041						\$102,041
Lakeside Costs - CHDO HOME Contribution Subtotal	\$102,041						\$102,041
Homestead Single Family Replacement Units (33 units)		\$159,500	\$159,500	\$159,000			\$478,000
Affordable Rental Development (Urban League Park Place & Crestwood)	\$35,737						\$35,737
Lakeside Costs - Urbana HOME Allocation Subtotal	\$35,737	\$159,500	\$159,500	\$159,000	\$0	\$0	\$513,737
CDBG Funding	\$565,000	\$553,700	\$542,626	\$531,773	\$521,138	\$510,715	\$2,659,953
Brinshore LIHTC Project on Lakeside property		\$50,000	\$50,000	\$50,000			\$150,000
Lakeside Costs - CDBG Subtotal		\$50,000	\$50,000	\$50,000			\$150,000
Bond Cap Conversion Funding	\$150,000						\$150,000
Brinshore LIHTC Project on Lakeside property	\$150,000						\$150,000
Lakeside Costs - Bond Cap Conversion Contributions Subtotal	\$150,000						\$150,000
Total Funding Contributions	\$287,778	\$209,500	\$209,500	\$209,000			\$915,778

Lakeside Terrace Property Tax Revenue

PIN	ADDRESS	BASE EAV	On Site Redev.
91-21-08-257-011	800 N. Broadway	\$0	\$920,000
91-21-08-280-033	800 N. Broadway	\$0	\$920,000
91-21-08-404-031	800 N. Broadway	\$0	\$920,000
		\$0	\$2,760,000
	EAV Over Base*:	\$0	\$2,760,000

Property Tax Increase**		On-Site Redev.
School		\$128,895
City		\$36,371
Park		\$21,437
County		\$19,643
Comm Coll		\$12,840
MTD		\$7,529
Twنشp		\$5,652
Total	N/A	\$237,893

Total w/ Tax Credit Reduction***		\$178,247
School		\$96,578
City		\$27,252
Park		\$16,062
County		\$14,718
Comm Coll		\$9,620
MTD		\$5,642
Twنشp	N/A	\$4,235

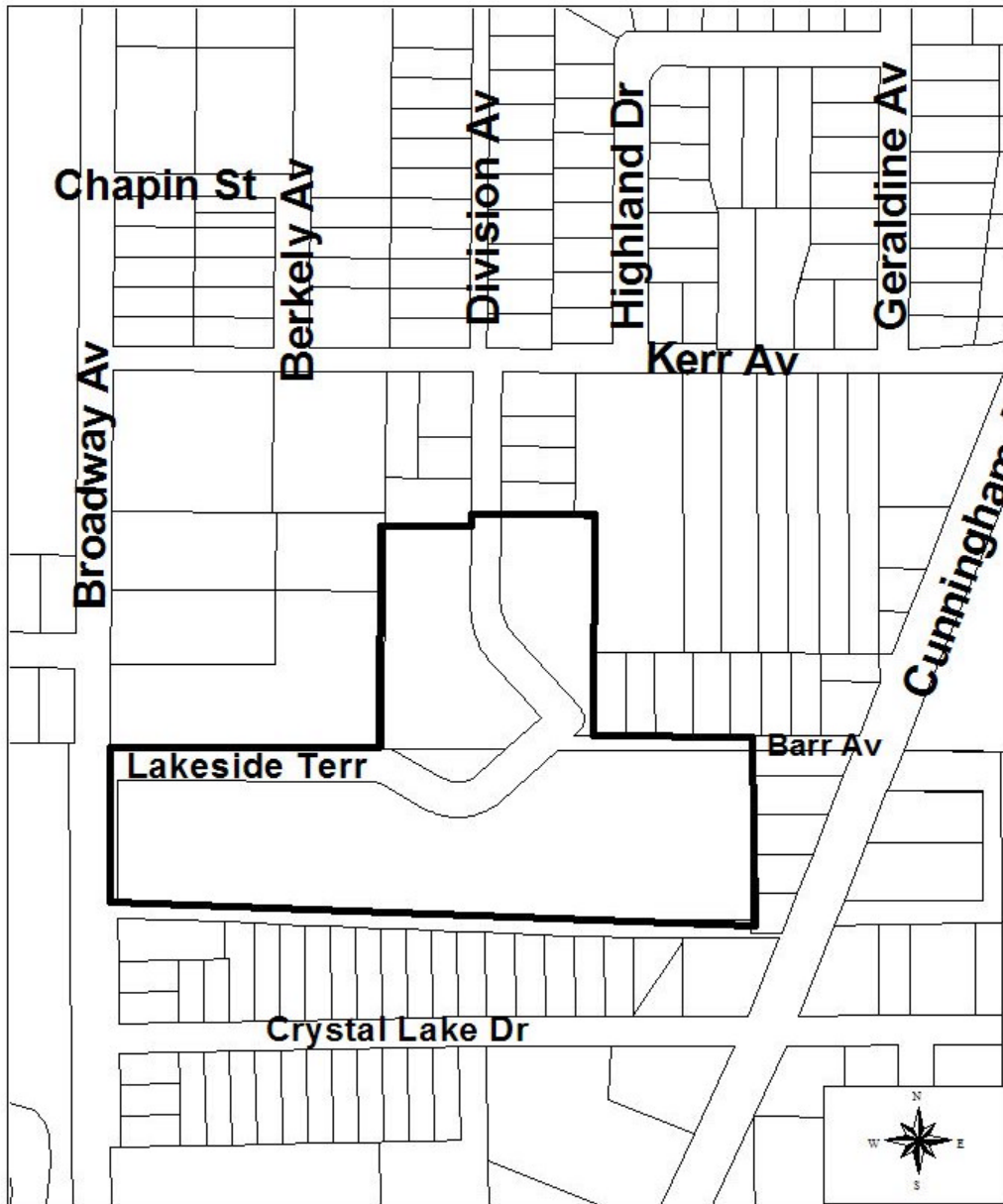
*EAV assumptions based on project costs and comparable unit EAV's

**Upon Completion of project, only applies to Lakeside Terrace development


***LIHTC Value reduces taxable EAV assessment, and is thus reflected in property taxes

Created April 8, 2004 by RLB, City of Urbana Community Development Department

Exhibit "A": Location Map



Grants
Management
Division

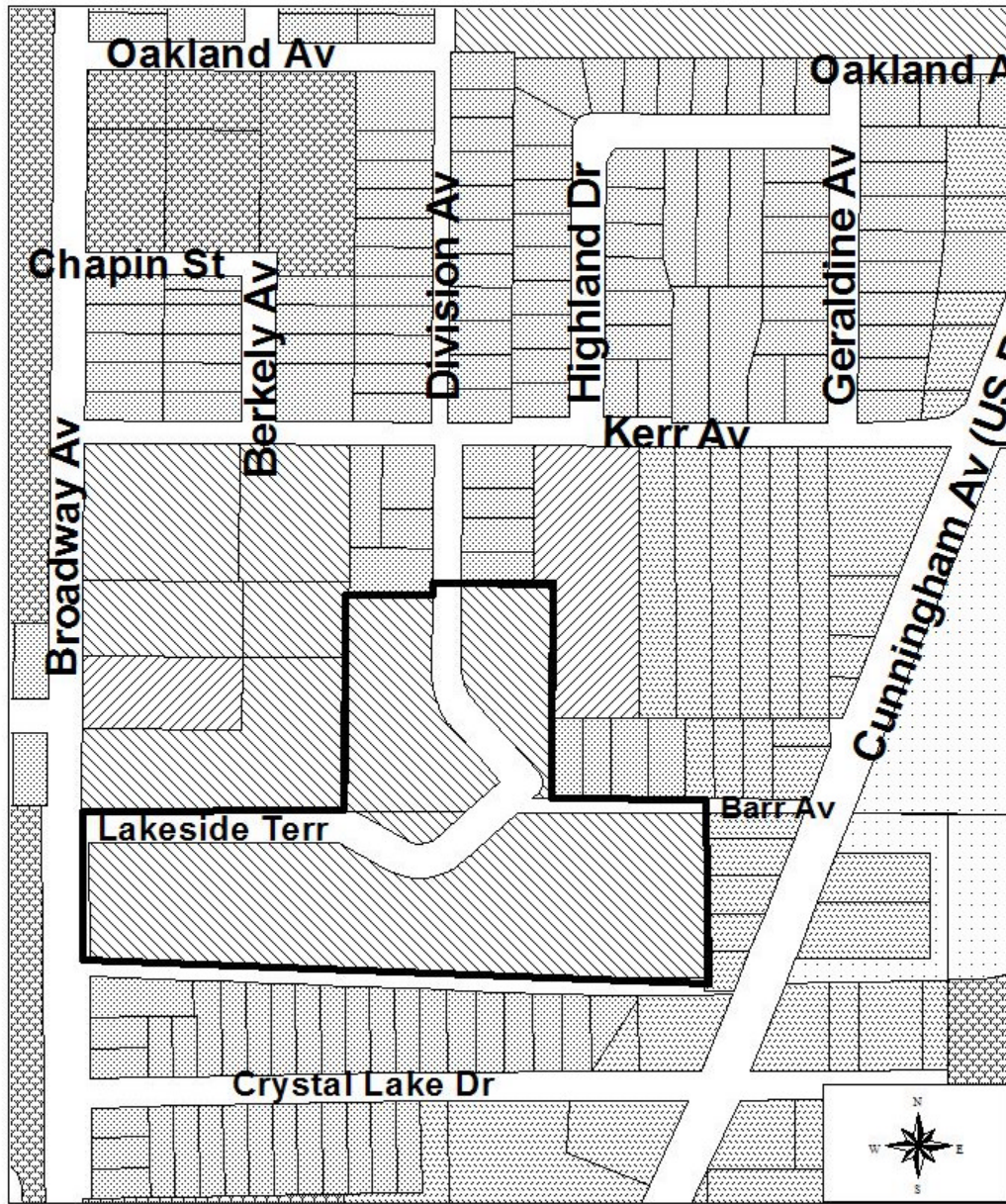
 Subject Property

100 0 100 200 300 400 Feet



Produced 4/7/04 by
Community Development Services - pal

Exhibit "B": Zoning Map



Grants Management Division

- R3 - Single- and Two-Family
- R4 - Medium Density Multiple-Family
- R5 - Medium High Density Multiple-Family
- B3 - General Business
- AG - Agriculture
- CRE - Conservation-Recreation-Education

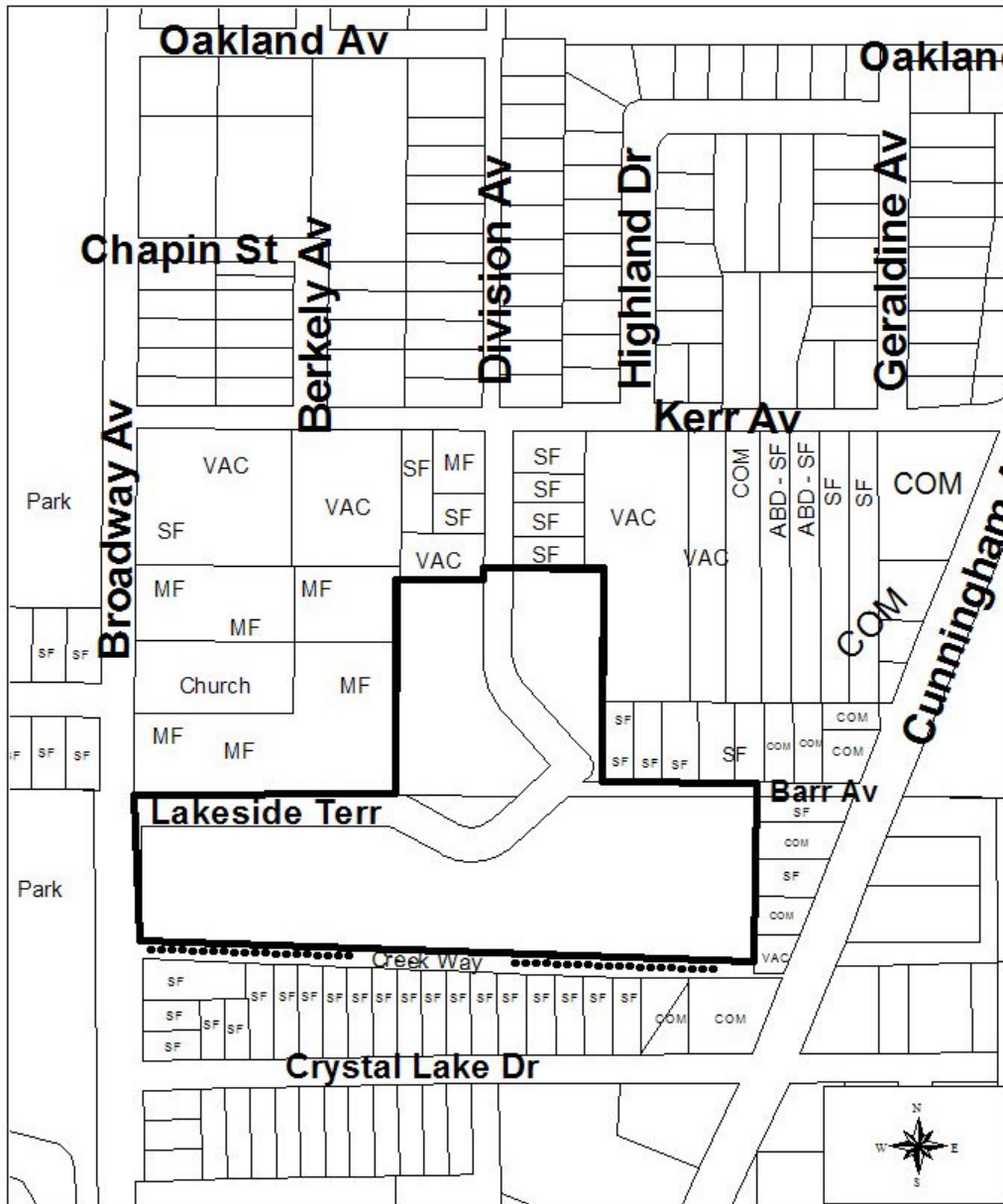
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Produced 4/7/04 by
Community Development Services - ps



Exhibit "C": Existing Land Use Map



Grants
Management
Division

SF - Single Family
 MF - Multi Family
 COM - Commercial
 VAC - Vacant Land
 ABD-SF - Abandoned House

100 0 100 200 300 400 Feet

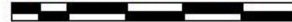
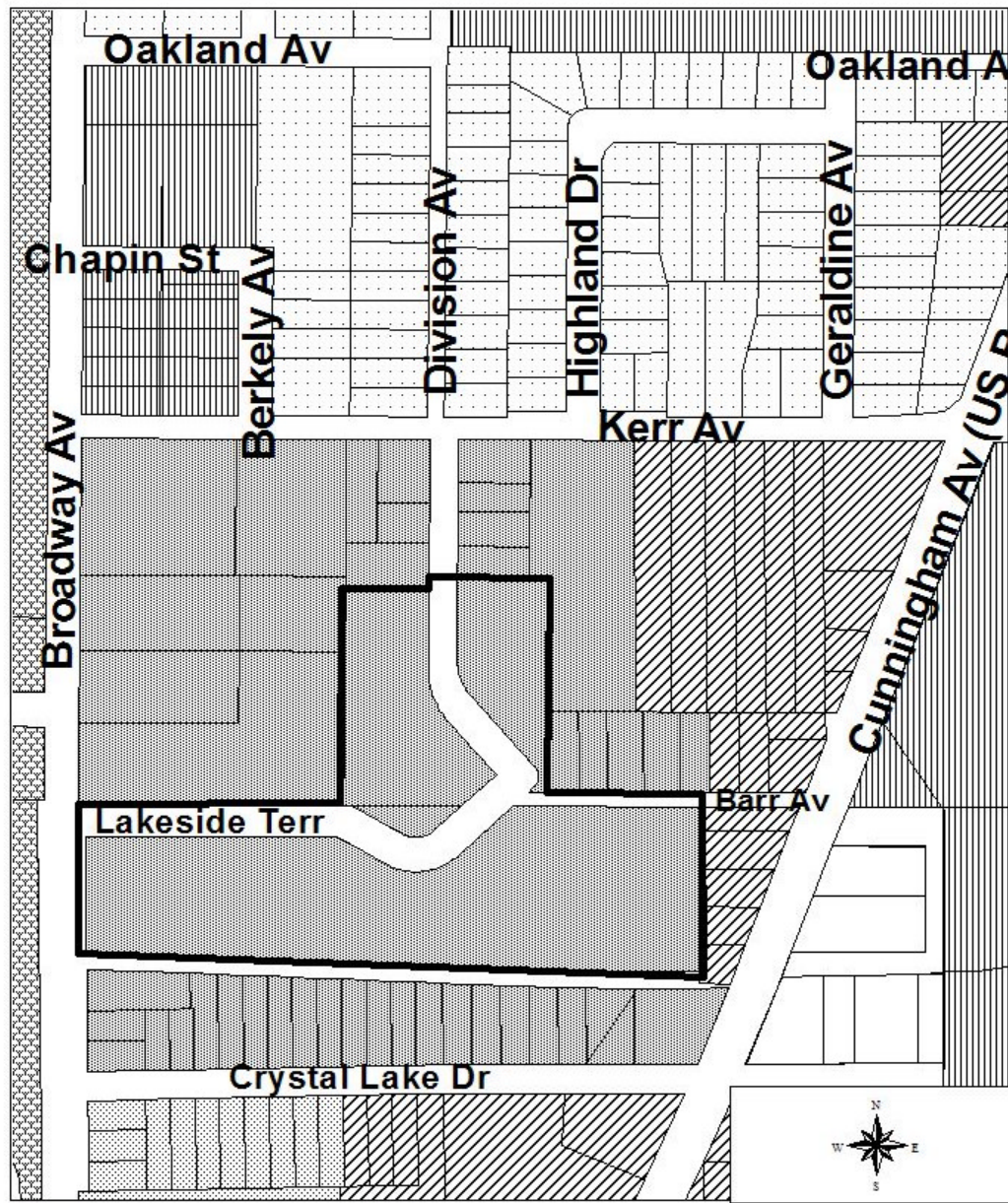
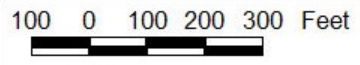


Exhibit "D": Future Land Use Map



	Commercial
	High Density Residential
	Medium Density Residential
	Low Density Residential
	Recreation-Public
	Institutional



Produced 4/7/04 by
Community Development Services - pd

Exhibit "E": Aerial Map



Grants
Management
Division



Produced 4/7/04 by
Community Development Services - pdl

100 0 100 200 300 Feet



Exhibit "F": Location Photos



A. Division Ave. facing South.



B. Division Ave. facing Southeast.



C. Division Ave. facing Southwest.



D. Don Moyer - Lakeside Terrace @ Bend facing Northwest.



E. Lakeside Terrace at Don Moyer facing South.



F. Lakeside Terrace @ bend facing Southeast.

RESOLUTION NO. 2004-02-003R

**RESOLUTION CLARIFYING THE URBANA CITY COUNCIL'S POSITION ON
REDEVELOPMENT OF LAKESIDE TERRACE**

WHEREAS, lack of affordable housing for extremely low income families with children is a serious problem in Urbana and surrounding communities; and

WHEREAS, the Champaign County Continuum of Care's most recent homeless survey found that more than 100 children are homeless in Champaign County every night; and

WHEREAS, the City of Urbana's Consolidated Plan and Annual Action Plans state:

"If redevelopment of Lakeside Terrace and Dunbar Court is possible without a significant reduction in the total number of permanent, subsidized housing units affordable to the lowest income families with children in the community, the City of Urbana will work with the Housing Authority of Champaign County to develop a HOPE VI application for the redevelopment of Lakeside Terrace and Dunbar Court to create a mixture of public housing, rental or homeownership units and residents representing a mix of incomes. The City will assist in developing a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units with a combination of new on-site units, scattered site units and Section 8 rent subsidies. Although Section 8 vouchers or certificates may be used to relocate

households living at these complexes at the time of redevelopment, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low income families with children, irrespective of their income."

and

WHEREAS, the Housing Authority of Champaign County has submitted an application to the Department of Housing and Urban Development for demolition of Lakeside Terrace proposing replacement of only 24% of the housing units; and

WHEREAS, the Housing Authority of Champaign County's proposal for redevelopment of Lakeside Terrace is not consistent with the City of Urbana's Consolidated Plan; and

WHEREAS, the City of Urbana and the Housing Authority of Champaign County are currently engaged in discussions about redevelopment options.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the City hereby reconfirms its longstanding position that the demolition of Lakeside Terrace not be initiated without a viable redevelopment plan which is consistent with the provisions of the Consolidated Plan for the replacement of at least 80 permanent housing units that are affordable to extremely low-income families with children irrespective of their income.

Section 2. That the Mayor be authorized to develop for City Council review, no later than March 22, 2004, an Interagency Agreement with the Housing Authority of Champaign County (HACC) that includes HACC's commitment of relocation and replacement housing vouchers, conversion of tenant-based Section 8 vouchers to project-based status and use of expected capital fund

replacement funds to create new public housing units, and the City's commitment to support demolition of Lakeside Terrace after the HACC and the Urbana City Council have approved a plan for replacement of the demolished housing in compliance with the City of Urbana Consolidated Plan.

Section 3. That the Interagency Agreement with the HACC be guided in part by these goals:

a. These 80 replacement units will be a combination of public housing units at a mixed-income, multi-family development at the former Lakeside Terrace site, scattered site single-family homes developed by non-profit organizations, and public housing units at mixed-income, multi-family structures acquired or constructed by non-profit organizations.

b. Replacement housing will be provided in coordination with Community Housing Development Organizations (CHDO's) and other non-profit organizations in order to build the capacity of existing CHDO's and to encourage the creation of new CHDO's.

c. The replacement housing plan will leverage city money with as many financing tools as possible available to the HACC (such as Public Housing Replacement Funds, Affordable Housing Program Grant Funds, and Illinois Housing Development Authority Trust Funds) so that the City will be able to maintain diversity of housing programs funded by CDBG and HOME, and preserve its social service funding.

d. Affordability of the replacement housing for the lowest income families with children in our community will be guaranteed for the longest period of time possible with a target of a minimum of 20 years.

Section 4. That the City Council respectfully requests that the HACC withdraw its application to the U.S. Department of Housing and Urban Development for funds to demolish Lakeside Terrace and if the HACC chooses

not to comply with this request, that a copy of this resolution be submitted to the U.S. Department of Housing and Urban Development in conjunction with the application for demolition funds.

PASSED by the City Council this _____ day of _____

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____

Tod Satterthwaite, Mayor

ORDINANCE NO. 2004-03-036

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF URBANA AND THE HOUSING AUTHORITY OF CHAMPAIGN COUNTY
REGARDING REDEVELOPMENT OF LAKESIDE TERRACE

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That an Intergovernmental Agreement pertaining to redevelopment of Lakeside Terrace Apartments and related activities, between the City of Urbana and the Housing Authority of Champaign County, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Tod Satterthwaite, Mayor

**AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF URBANA
AND
THE HOUSING AUTHORITY OF CHAMPAIGN COUNTY**

REGARDING REDEVELOPMENT OF LAKESIDE TERRACE

WHEREAS, the City of Urbana (hereinafter referred to as the "City") and the Housing Authority of Champaign County (hereinafter referred to as "HACC") both have an interest in the provision of housing and related services for very low and low income families, as set forth in the City's Consolidated Plan for Program Years 2000-2004 and other related plans and programs and its status as an entitlement community receiving funds from the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD") and in the HACC's Annual Plan, Fiscal Year 2004 and other related plans and programs and its status as a Public Housing Authority receiving funds from HUD; and

WHEREAS, the need for redevelopment or improvement of the Lakeside Terrace Apartments has long been recognized by both the City and the HACC and has been reflected in the relevant plans and policies of both agencies, as well as in previous efforts to obtain Federal assistance for the redevelopment of this public housing site; and

WHEREAS, the City's Consolidated Plan states that "the City will assist in the development of a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units [resulting from redevelopment of Lakeside Terrace] with a combination of new on-site units, scattered site units and Section 8 rent subsidies. Although Section 8 vouchers or certificates may be used to relocate households living at these complexes at the time of redevelopment, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low income families with children, irrespective of their income"; and

WHEREAS, the HACC once again desires to seek assistance from HUD and the Illinois Housing Development Authority for demolition of Lakeside Terrace and is working with a developer, Brinshore Development, to redevelop Lakeside Terrace with up to 200 tax credit apartments, 24% of which would be reserved for very low income families; and

WHEREAS, on March 1, 2004, the City Council adopted Resolution No. 2004-02-003R, stating that the City opposes any demolition of Lakeside Terrace without the adoption of a Redevelopment Plan that is consistent with the City's Consolidated Plan provision cited above and directing the Mayor to develop an Interagency Agreement committing the HACC to relocation and replacement housing vouchers, conversion of tenant-based Section 8 vouchers to project-based status and use of expected capital fund replacement funds to create new public housing units.

NOW BE IT AGREED on this ____ day of _____, 2004, by and between the City of Urbana, Illinois and the Housing Authority of Champaign County as follows:

Section 1. Redevelopment Plan. The City and HACC agree to work together to complete and adopt a Redevelopment Plan for Lakeside Terrace including a combination of on-site redevelopment with tax credit and project-based Section 8 voucher apartments and public housing replacement units to be provided by HACC under the HUD replacement formula. City staff shall prepare a Draft Redevelopment Plan for City Council review by the Council Committee of the Whole meeting of April 12, 2004.

Section 2. Section 8 Voucher Plan. The HACC agrees to adopt and implement a “Section 8 Administrative Plan, Project Based Assistance Plan”. This Plan envisions the allocation of a minimum of 80 project-based Section 8 vouchers to the Lakeside Terrace Redevelopment Plan, 48 of which may be provided on-site at the expanded Lakeside Terrace site and at least 32 of which will be provided throughout Champaign County as part of the scattered site element of the Lakeside Redevelopment Plan.

Section 3. Replacement Housing Funds. The HACC agrees to make application to HUD for replacement housing funds to provide as many replacement public housing units as funding will allow throughout Champaign County to offset those lost at Lakeside Terrace, under the terms set forth in the Interoffice Memorandum from HACC Executive Director to the Mayor, dated, February 13, 2004 and to implement the designation or construction of said units as set forth in the mutually agreed upon Redevelopment Plan provided for in Section 1.

Section 4. Affordability Periods. The HACC agrees to maximize the affordability periods for the project-based vouchers (established under Section 2) and the newly created public housing (established under Section 3), by applying the HUD permitted 10-year affordability period with two possible five-year extensions.

Section 5. Relocation Plan. The HACC agrees to adopt and implement a “Lakeside Terrace Relocation Plan” providing for relocation vouchers and assistance for all residents. The HACC further agrees to hold regular resident meetings and to work with the residents of Lakeside Terrace to address relocation needs and concerns.

Section 6. City Support. Pursuant to the terms of Agreement, the City agrees to support the Redevelopment of Lakeside Terrace and shall affirm its support through communication to HUD and IHDA for applications for project approval, funding and tax credits. The City shall further provide for zoning and development approvals necessary for the Redevelopment Plan, insofar as said plans meet the Zoning and Development Ordinances of the City.

Section 7. City Contributions. Through its Annual Action Plan process for review and use of CDBG and HOME funds, the City pledges its financial support for the Lakeside Redevelopment Plan. Said contributions may take the form of CDBG and HOME fund allocations, commitment of Community Development staff to redevelopment planning efforts,

support of affiliated non-profit and CHDO efforts to develop scattered site housing as a part of the Redevelopment Plan, construction of infrastructure improvements (through CDBG fund allocations), donation and/or acquisition of land, and ceding of annual IHDA bond cap towards the project.

Section 8. Amendment or Revocation. This agreement may be amended or revoked only upon the mutual written consent of both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the day and date first above written.

CITY OF URBANA

By:

It's:

Attest:

Housing Authority of Champaign County

By:

It's:

Attest:



**NOTICE OF AVAILABILITY
FOR PUBLIC REVIEW AND COMMENT**

**CITY OF URBANA
DRAFT LAKESIDE TERRACE
REDEVELOPMENT PLAN**

PUBLIC HEARING SCHEDULED FOR

**TUESDAY, APRIL 27, 2004 7:00PM
URBANA CITY BUILDING, 400 SOUTH VINE STREET, URBANA, ILLINOIS**

The City of Urbana, is making available for public review the Draft Lakeside Terrace Redevelopment Plan.

The Draft Lakeside Terrace Redevelopment Plan will be available for public review and written comments from April 19, 2004 through April 29, 2004 at the following locations:

- ◆ Urbana Grants Management Division, 400 South Vine Street
- ◆ Urbana City Clerk's Office, 400 South Vine Street
- ◆ Urbana Free Library, 201 South Race Street

The public hearing will be held to receive comments and suggestions on the Draft Lakeside Terrace Redevelopment Plan. The hearing is scheduled for 7:00 p.m. on Tuesday, April 27, 2004 in the Urbana City Council Chambers.

Persons with disabilities needing services or accommodation for these hearings should contact the Grants Management Division at 384-2447 (TDD 384-2360) or the City's Americans With Disabilities Act Coordinator at 384-2466.

You may also submit written comments through April 29, 2004 to the Urbana Grants Management Division, 400 S. Vine Street, Urbana IL 61801.





UNAPPROVED
MINUTES
PUBLIC HEARING ON THE DRAFT LAKESIDE TERRACE
REDEVELOPMENT PLAN
Tuesday, April 27, 2004, City Council Chambers

Call to Order: Chairperson Cobb called the meeting to order at 7:05 p.m. and announced the public hearing was now in session.

Mr. Grewe provided a brief overview of the draft plan. The plan is based on a long-standing commitment by the City of Urbana to create 80 affordable replacement housing units if Lakeside Terrace was demolished. The plan identifies strategies to create these units. The challenge is how to achieve this goal. The plan includes demolition of existing apartments at Lakeside Terrace, relocation of all tenants, on-site redevelopment of 100 tax credit units (24 designated as replacement units for extremely low-income persons by using Project-Based Section 8 Vouchers), Housing Authority application for replacement units from HUD to create 14 new public housing units throughout Champaign County. Local Community Housing Development Organizations (CHDOs) would provide the balance of the units. Homestead Corporation indicated it could create 33 single-family residences throughout Champaign-Urbana. Urban League is engaging in multi-family development opportunities, with 9 units out of 40 providing housing for very low-income persons. Of the 80 replacement units, all but 14 rely on Project-Based Section 8 assistance. This is the reason that the Housing Authority is a key partner to meet Urbana's goal.

The plan references the City of Urbana's investment, which would be \$915,000, for a total project investment of \$21,000,000. The City feels its funding will leverage additional housing investment to Urbana. The City's investment is a mix of Community Development Block Grant (CDBG) and HOME funds from the Department of Housing and Urban Development (HUD). The City would also use its annual Private Activity Bond Cap allocation, which has been used for affordable housing in the past.

Mr. Grewe noted the draft plan was available for review at the City of Urbana in the City Clerk's office and in the Community Development Services Department. It is also available at the Urbana Free Library. Interested parties may request their own copy of the plan.

Chairperson Cobb invited members of the public to ask questions or comment on the draft plan.

Bill and Michelle Scott, who own property on Barr Avenue, Urbana, asked about the timeline for demolition, who would maintain the land between demolition and construction, and if there would be pest control during demolition. Mr. Grewe answered that the Housing Authority will apply for funding from HUD for demolition and relocation. The tentative date for demolition is May 2005. Construction of new units

would be scheduled for June 2005. Mr. Grewe was not aware of pest control issues; however, because the Housing Authority is experienced in demolition, he expected they would address this. Commissioner Vidoni asked if this concern would be conveyed to the Housing Authority. Mr. Grewe responded yes. Mr. Scott wished that a representative from the Housing Authority was present. Commissioner Lewis added that the Housing Authority has annual contracts for pest control, which they would increase during this process. Ms. Scott was concerned that any pests escaping Lakeside Terrace would go into the surrounding area. Mr. Scott added that currently there are problems with rodents leaving the Lakeside Terrace area.

Ms. Scott asked if the sanitary sewer would also be demolished. She was concerned about the sanitary sewer service to neighboring houses and who would be responsible for these costs. Mr. Grewe did not believe the engineering has been completed and assumed there would be some public improvements. Mr. Scott stated that at least five houses were on the Lakeside Terrace sanitary sewer.

Ms. Scott asked when the preliminary plans would be available. Mr. Grewe answered that the tax credit application would be submitted in December 2004. Two or three months after submittal, the Housing Authority and its developer will hold a series of public input events that are very specific on the design. In response to Ms. Scott, Mr. Grewe clarified that the tax credit application required a certain level of public input.

Noting that demolition of Lakeside Terrace has been mentioned for many years, Mr. Scott inquired about the likelihood of this happening. Mr. Grewe said there were many things in place that made everyone very optimistic. A great deal of work has been done in anticipation of moving forward with this process. However, the Housing Authority is still waiting for approval to demolish from HUD.

Chairperson Cobb asked if Mr. and Ms. Scott had any recommendations. Mr. Scott requested the City of Urbana put this plan on its website. Since their houses were already hooked up to the sanitary sewer, Ms. Scott did not want to incur any additional costs for sewer hookup or pest control. In response to Commissioner Vidoni, Mr. Scott indicated that he had looked at the draft plan and understood the demolition to be approved.

Commissioner Thakkar inquired about the possibility of the architects creating a 3-D model of Lakeside Terrace redevelopment for the public. Mr. Grewe answered that the developer of Lakeside Terrace has also redeveloped Burch Village. He is aware of their architectural and engineering planning and felt their graphics were very good. Commissioner Thakkar suggested this information be presented at a Community Development (CD) Commission meeting/public hearing.

Mr. Scott commented that this public hearing did not seem as well attended as past meetings on Lakeside Terrace. Commissioner Thakkar responded that people do not attend every meeting.

Lloyd Carter, Jr., who is a member of the County Board and is a precinct committeeman for Ward 3, asked about minority participation. Chairperson Cobb indicated that he had questioned Brinshore Development about this at an earlier meeting. Brinshore Development had explained how they set and achieved goals for minority participation. Mr. Carter indicated that he was willing to work with Brinshore on this and encouraged the City of Urbana to adopt a plan. Commissioner Thakkar suggested adding this to fair housing issues. Commissioner Lewis noted that the federal guidelines were very specific regarding minority participation. Mr. Carter requested that the City of Urbana check the amount of minority participation during the project.

Cope Cumpston, member of Urbana School District Board of Education, was concerned about relocation of the children at Lakeside Terrace. The Urbana School District had 88 children registered from Lakeside Terrace. She understood that the Housing Authority would oversee the immediate relocation. Ms. Cumpston stated that continuity in school was very important and that children who start and continue in one school do much better. She questioned whether the replacement units would actually be available to extremely low-income households and asked if the 33 scattered sites were rental units. Mr. Grewe replied that the replacement housing was phased over three years. The Housing Authority will have the resources to provide displaced persons with housing vouchers. All scattered site replacement units will be rental.

Rhonda Bleacher, representing Country Club Apartments and Excel Property Management, stated that she has managed tax credit units and specifically worked with the Illinois Housing Development Authority (IHDA). She asked how much leverage the City of Urbana actually had with IHDA. Mr. Grewe answered that the City of Urbana has been in contact with IHDA. Brinshore Developers has helped the City and Housing Authority understand how to score well in the tax credit application. They helped the City of Champaign prepare a good application.

Mr. Grewe asked Ms. Bleacher for suggestions on how communities could better position themselves for success. Noting her experience was working with the City of Champaign, Ms. Bleacher suggested the following: providing additional lands for public parks, adding city funds to provide events and activities for children, getting agencies such as Don Moyer Boys and Girls Club involved, and suggesting the Housing Authority create on-site computer labs, children's playgrounds, and exercise equipment. The City should encourage more on-site activities to keep children occupied, engaged and educated. IHDA also provides points for on-site laundry, washer and dryer hookups inside the units, additional bathrooms, safety items and going one step beyond city codes. Concerning programs, Mr. Grewe mentioned another approach that made the redeveloped Lakeside Terrace a part of the community rather than an independent setting. For example, neighbors would be able to use the common facilities, i.e., parks, computers, etc.

Ms. Bleacher asked to what extent the City would enforce a noise ordinance during construction. She is concerned about the impact of demolition and construction on the 108 apartments next door. Mr. Grewe mentioned Building Safety Division's guidelines

on construction. Commissioner Lewis was aware of restrictions around hospitals but was not sure about construction sites.

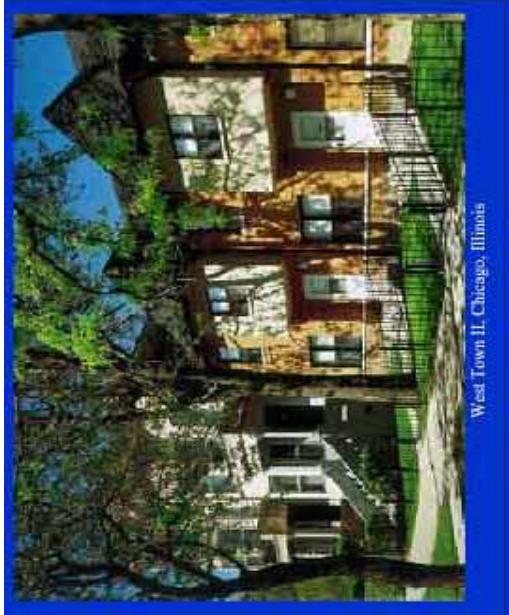
Mr. Grewe announced that the City of Urbana would accept written comments until April 29, 2004. Chairperson Cobb concluded the public hearing at approximately 7:40 p.m. and continued with the regular Community Development Commission meeting.

Commission Members Present: Fred Cobb, Robert Lewis, Anne Heinze Silvis, Umesh Thakkar, Dennis Vidoni

Commission Members Absent: Chris Diana, Joanna Shisler, and Nancy Quisenberry

Others Present: Bob Grewe, Community Development Services; Jim Rose, Homestead Corporation; Lloyd Carter, Champaign County Board; Michelle Cleveland; Bill & Michele Scott; Rich & Kitty Ford; Cope Cumpston, Urbana School District Board; Rhonda Blecher, Country Club Apartments.

Examples of Multi-Family Housing Design



Lakeside Terrace Redevelopment Plan

Brinshore Development LLC
LIHTC Multi-Unit Apartment Project

Overall Development						
Site Size:	9 acres					
Density:	11 units/acre					
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total	
	24	16	50	10	100	
Unit %:	24.0%	16.0%	50.0%	10.0%	100.0%	
Schedule:	2005-2009					
Sources & Uses:	Sources	Total	Unit	Uses	Total	Unit
	Private Loan	\$1,500,000	\$15,000	Acquisition	\$0	\$0
	LIHTC Equity	\$9,400,000	\$94,000	Site Work	\$1,150,000	\$11,500
	IHDA HOME Loan	\$500,000	\$5,000	Construction	\$9,600,000	\$96,000
	Urbana Bond Cap Conversion	\$150,000	\$1,500	Professional	\$2,100,000	\$21,000
	HACC Funds (see below)	\$0	\$0	Financing	\$200,000	\$2,000
	IHDA Trust Fund	\$1,500,000	\$15,000	Reserves	\$200,000	\$2,000
	Urbana Funds (CDBG)	\$150,000	\$1,500	Miscellaneous	\$550,000	\$5,500
	AHP Grant	\$600,000	\$6,000			
	Subtotal	\$13,800,000	\$138,000			
	HACC Land Value	\$400,000	\$4,000	Land	\$400,000	\$4,000
	HACC Funds	\$1,397,900	\$14,120	Demolition	\$1,109,900	\$11,211
	Subtotal	\$1,797,900	\$17,979	Relocation	\$288,000	\$3,000
	Total	\$15,597,900	\$155,979	Subtotal	\$1,797,900	\$17,979
	Total	\$15,597,900	\$155,979	Total	\$15,597,900	\$155,979

Lakeside Terrace Redevelopment

HACC Replacement Housing Funds (Lakeside Terrace Only)

- Assumptions:**
1. \$2,100/year per demo. unit
 2. 10 years of funding

Total Replacement Units: 14

Maximum % PH Units: 100%

Phase I: Scattered Sites							
Site Size:	7 units						
Density:	1 units per site						
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total		
	7	0	0	0	7		
Unit %:	100.0%	0.0%	0.0%	0.0%	100.0%		
Schedule:	2005-2007						
Sources & Uses:	Sources	Total	Unit		Uses	Total	Unit
	Private Loan	\$ -	\$ -		Acquisition	\$ 70,000	\$ 10,000
	LIHTC Equity	\$ -	\$ -		Site Work	\$ 70,000	\$ 10,000
	IHDA HOME Loan	\$ -	\$ -		Construction	\$ 672,000	\$ 96,000
	HACC Funds	\$ 1,039,500	\$ 148,500		Professional	\$ 147,000	\$ 21,000
	IHDA Trust Fund	\$ -	\$ -		Financing	\$ 14,000	\$ 2,000
	Urbana Funds	\$ -	\$ -		Reserves	\$ 14,000	\$ 2,000
	AHP Grant	\$ -	\$ -		Miscellaneous	\$ 52,500	\$ 7,500
	Total	\$ 1,039,500	\$ 148,500		Total	\$ 1,039,500	\$ 148,500

Phase II: Scattered Sites							
Site Size:	7 units						
Density:	1 units per sit						
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total		
	7	0	0	0	7		
Unit %:	100.0%	0.0%	0.0%	0.0%	100.0%		
Schedule:	2007-2009						
Sources & Uses:	Sources	Total	Unit		Uses	Total	Unit
	Private Loan	\$ -	\$ -		Acquisition	\$ 70,000	\$ 10,000
	LIHTC Equity	\$ -	\$ -		Site Work	\$ 70,000	\$ 10,000
	IHDA HOME Loan	\$ -	\$ -		Construction	\$ 672,000	\$ 96,000
	HACC Funds	\$ 1,039,500	\$ 148,500		Professional	\$ 147,000	\$ 21,000
	IHDA Trust Fund	\$ -	\$ -		Financing	\$ 14,000	\$ 2,000
	Urbana Funds	\$ -	\$ -		Reserves	\$ 14,000	\$ 2,000
	AHP Grant	\$ -	\$ -		Miscellaneous	\$ 52,500	\$ 7,500
	Total	\$ 1,039,500	\$ 148,500		Total	\$ 1,039,500	\$ 148,500

Overall Development							
Site Size:	14 units						
Density:	1 units per site						
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total		
	14	0	0	0	14		
Unit %:	100.0%	0.0%	0.0%	0.0%	100.0%		
Schedule:	2005-2009						
Sources & Uses:	Sources	Total	Unit		Uses	Total	Unit
	Private Loan	\$0	\$0		Acquisition	\$140,000	\$10,000
	LIHTC Equity	\$0	\$0		Site Work	\$140,000	\$10,000
	IHDA HOME Loan	\$0	\$0		Construction	\$1,344,000	\$96,000
	HACC Funds	\$2,079,000	\$148,500		Professional	\$294,000	\$21,000
	IHDA Trust Fund	\$0	\$0		Financing	\$28,000	\$2,000
	Urbana Funds	\$0	\$0		Reserves	\$28,000	\$2,000
	AHP Grant	\$0	\$0		Miscellaneous	\$105,000	\$7,500
	Total	\$2,079,000	\$148,500		Total	\$2,079,000	\$148,500

Lakeside Terrace Redevelopment Plan

Homestead Corporation
Single-Family, Scattered-Site, Rental Units Project

Total Units 33
 Total Replacement Units: 33
 Maximum % PH Units: 100%

Year 1									
Site Size:	11 units								
Density:	1 unit, single family house								
Unit Mix:	Public Housing								
	11								
Unit %:	100.0%								
Schedule:	2005-2006								
Sources & Uses:									
		Total	50% AMI	60% AMI	Market	Total		Uses	Unit
	Private Loan	\$ 493,333	0	0	0		Acquisition	\$ 984,674	\$ 89,516
	LIHTC Equity	\$ -	0.0%	0.0%	0.0%		Site Work		
	IHDA HOME Loan	\$ -					Construction		
	HACC Funds	\$ -					Professional	\$ 51,326	\$ 4,666
	IHDA Trust Fund	\$ 283,333					Financing		
	Urbana Funds (HOME)	\$ 159,334					Reserves		
	AHP Grant	\$ 100,000					Miscellaneous		
	Total	\$ 1,036,000					Total	\$ 1,036,000	\$ 94,182

Lakeside Terrace Redevelopment Plan

Homestead Corporation
Single-Family, Scattered-Site, Rental Units Project

Year 2						
Site Size:	11 units					
Density:	1 unit, single family house					
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total	
	11	0	0	0	11	
Unit %:	100.0%	0.0%	0.0%	0.0%	100.0%	
Schedule:	2006-2007					
Sources & Uses:	Sources	Total	Unit	Uses	Total	Unit
	Private Loan	\$ 493,333	\$ 44,848	Acquisition	\$ 984,674	\$ 89,516
	LIHTC Equity	\$ -	\$ -	Site Work		
	IHDA HOME Loan	\$ -	\$ -	Construction		
	HACC Funds	\$ -	\$ -	Professional	\$ 51,326	\$ 4,666
	IHDA Trust Fund	\$ 283,333	\$ 25,758	Financing		
	Urbana Funds (HOME)	\$ 159,333	\$ 14,485	Reserves		
	AHP Grant	\$ 100,000	\$ 9,091	Miscellaneous		
	Total	\$ 1,036,000	\$ 94,182	Total	\$ 1,036,000	\$ 94,182

Lakeside Terrace Redevelopment Plan

Homestead Corporation
Single-Family, Scattered-Site, Rental Units Project

Year 3									
Site Size:	11 units								
Density:	1 unit, single family house								
Unit Mix:	Public Housing		50% AMI		60% AMI		Market		Total
Unit %:	11		0		0		0		11
Schedule:	100.0%		0.0%		0.0%		0.0%		100.0%
Sources & Uses:	2006-2007								
Sources			Total	Unit	Uses				
Private Loan			\$ 493,333	\$ 44,848	Acquisition	\$	984,674	\$	89,516
LIHTC Equity			\$ -		Site Work				
IHDA HOME Loan			\$ -		Construction				
HACC Funds			\$ -		Professional	\$	51,326	\$	4,666
IHDA Trust Fund			\$ 283,333	\$ 25,758	Financing				
Urbana Funds (HOME)			\$ 159,333	\$ 14,485	Reserves				
AHP Grant			\$ 100,000	\$ 9,091	Miscellaneous				
Total			\$ 1,036,000	\$ 94,182	Total	\$	1,036,000	\$	94,182

Lakeside Terrace Redevelopment Plan

Homestead Corporation
Single-Family, Scattered-Site, Rental Units Project

Overall Development									
Site Size:	33 units								
Density:	1 unit, single family house								
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total	Uses	Total	Unit	
	33	0	0	0	33	Acquisition	\$ 2,954,021	\$ 89,516	
Unit %:	100.0%	0.0%	0.0%	0.0%	100.0%	Site Work			
Schedule:	2007-2008								
Sources & Uses:	Sources	Total	Unit	Uses	Total	Unit			
	Private Loan	\$ 1,480,000	\$ 44,848	Acquisition	\$ 2,954,021	\$ 89,516			
	LIHTC Equity	-		Site Work					
	IHDA HOME Loan	-		Construction					
	HACC Funds	-		Professional	\$ 153,978	\$ 4,666			
	IHDA Trust Fund	\$ 850,000	\$ 25,758	Financing					
	Urbana Funds (HOME)	\$ 478,000	\$ 14,485	Reserves					
	AHP Grant	\$ 300,000	\$ 9,091	Miscellaneous					
	Total	\$ 3,108,000	\$ 282,545	Total	\$ 3,108,000	\$ 94,182			

Lakeside Terrace Redevelopment Plan

Urban League of Champaign County
Multi-Unit Apartment Projects

Total Units **44**
 Total Replacement Units: **9**
 Maximum % PH Units: **25%**

Phase I: Urban Park Place Champaign, IL										
Site Size:										
Density:										
Unit Mix:	Public Housing	5	19	0	0	Market	0	Total	24	
Unit %:	21%	79%	0%	0%	0%	60% AMI	0%	100%		
Schedule:	2005-2007									
Sources & Uses:	Sources		Total	Unit		Total		Uses		Unit
	Private Loan		\$ 500,000	\$ 20,833	\$ 578,000	Acquisition	\$ 24,083			
	LIHTC Equity		\$ -	\$ -	\$ 86,000	Site Work	\$ 3,583			
	IHDA HOME Loan		\$ -	\$ -	\$ 839,969	Construction	\$ 34,999			
	HACC Funds		\$ -	\$ -	\$ 177,772	Professional	\$ 7,407			
	IHDA Trust Fund		\$ 750,000	\$ 31,250	\$ 5,250	Financing	\$ 219			
	HOME CHDO Funds		\$ 102,041	\$ 4,252	\$ 30,000	Soft Costs	\$ 1,250			
	Other HOME Funds		\$ 150,000	\$ 6,250	\$ 83,699	Developer Fee	\$ 3,487			
	Urbana Funds (HOME)		\$ 15,737	\$ 656	\$ -	Reserves	\$ -			
	AHP Grant		\$ 144,000	\$ 6,000	\$ -	Miscellaneous	\$ -			
	Energy Grant		\$ 56,690	\$ 2,362						
	Continuum of Care		\$ 82,222	\$ 3,426						
	Total		\$ 1,800,690	\$ 75,029	\$ 1,800,690	Total	\$ 75,029			

Lakeside Terrace Redevelopment Plan

Urban League of Champaign County
Multi-Unit Apartment Projects

Phase II: Crestwood Manor , Urbana, IL									
Site Size:									
Density:									
Unit Mix:									
	Public Housing	50% AMI	60% AMI	Market	Total				
	4	16	0	0	20				
Unit %:	17%	67%	0%	0%	83%				
Schedule:	2007-2009								
Sources & Uses:									
	Sources	Total	Unit						
	Private Loan	\$ 500,000	\$ 25,000	Acquisition	\$ 500,000	\$ 25,000			
	LIHTC Equity			Site Work					
	IHDA HOME Loan			Construction	\$ 35,737	\$ 1,787			
	HACC Funds			Professional					
	IHDA Trust Fund			Financing					
	Urbana Funds (HOME)	\$ 20,000	\$ 1,000	Reserves					
	AHP Grant			Miscellaneous					
	Total	\$ 520,000	\$ 26,000	Total	\$ 535,737	\$ 26,787			

Lakeside Terrace Redevelopment Plan

Urban League of Champaign County
Multi-Unit Apartment Projects

Overall Development						
Site Size:	9 acres					
Density:	11 units/acre					
Unit Mix:	Public Housing	50% AMI	60% AMI	Market	Total	
	9	35	0	0	44	
Unit %:	20%	80%	0%	0%	100%	
Schedule:	2005-2009					
Sources & Uses:	Sources	Total	Unit	Uses	Total	Unit
	Private Loan	\$ 1,000,000	\$ 22,727	Acquisition	\$ 1,078,000	\$ 24,500
	LIHTC Equity	\$ -	\$ -	Site Work	\$ 86,000	\$ 1,955
	IHDA HOME Loan	\$ -	\$ -	Construction	\$ 875,706	\$ 19,902
	HOME CHDO Funds	\$ 100,000	\$ 2,273	Professional	\$ 177,772	\$ 4,040
	Other HOME Funds	\$ 150,000	\$ 3,409	Financing	\$ 5,250	\$ 119
	IHDA Trust Fund	\$ 750,000	\$ 17,045	Reserves	\$ -	\$ -
	Urbana Funds (HOME)	\$ 35,737	\$ 812	Miscellaneous	\$ -	\$ -
	AHP Grant	\$ 144,000	\$ 3,273			
	Energy Grant	\$ 56,690				
	Continuum of Care	\$ 100,000				
	Total	\$ 2,336,427	\$ 53,101	Total	\$ 2,336,427	\$ 53,101